

# Disasters inject fear into factory life

AP, Tekani, Rangpur

**T**WICE a year, buses filled with garment workers come rumbling into Tekani, shaking the houses made of mud and tin, and alerting villagers that their loved ones are home for the holidays.

Wearing new outfits bought specially for the Muslim Eid festival, and boasting of a regular income, they cut a striking image of success in a village where most own no land, have no steady jobs and are among the poorest people in one of the poorest regions of one of the world's poorest countries.

Three days later, the buses begin the nine-hour ride back to suburban Dhaka, creeping along the same narrow road covered with drying rice husks and jugged with potholes. The workers are invariably joined by hundreds of fresh recruits from Tekani and its sister villages who will work alongside them in factories making clothing worn around the globe. They are the fuel that powers a \$20 billion garment industry that is the world's third-largest.

Almuna Begum once dreamed of sending her 21-year-old daughter on one of those buses. No longer.

"It's better to stay hungry here," she said. "There is no safety there."

Pushed by poverty and pulled by the hope of a better life, Tekani people have for almost a decade been making the trip south to Dhaka. But with neighbours and relatives killed and maimed in the Tazreen factory fire in November, and the collapse of the Rana Plaza factory building in April, terror has overtaken this village of about 1,800 people in Rangpur. Many ques-



The first sewing machine owned by Rabeya Begum Laisu, a garment worker from Tekani village in Rangpur. Her older brother bought her the machine when she showed a talent for needlework. Laisu later left to work in the factories of Dhaka, eventually getting a job at Rana Plaza, where the 28-year-old was killed when the building collapsed. Her family still uses the machine, but they are adamant that no relative will ever work in a garment factory again.

tion whether the industry's shaky promise is worth the sacrifice.

Before the disasters, which together claimed 1,241 lives, five to 10 people from Tekani would leave every month for the garment factories. Now, villagers say they know of no person planning to make the trip soon, and many who had left want to come back.

"They're scared of staying there now," said Mohammad Ashraful. The market vendor was on a trip home from Dhaka, where he lives with his wife, a garment worker who wanted to leave the industry. He was urging her to stick it out.

"Maybe it will pass," he said. "I'm not sure."

Tekani's green and amber fields stretch to each horizon, a lush inland sea of rice, corn and other crops ripening under the tropical sun. The small, raised road that cuts through the paddies leads to shady orchards, branches weighed down with mangoes and jackfruit.

Despite this bounty, Tekani has never been able to offer its people what they want most: jobs.

When global garment manufacturers turned to Bangladesh for cheap labour and factories started springing up around

Dhaka, Tekani residents finally had an alternative to staying in a village that doesn't even have electricity.

Now 4,000 of the roughly 25,000 people who live in Tekani and nine other nearby villages have left for garment work, said Nur Alom, the area's elected chairman. Sixty percent are women.

"This is 100 percent for economic reasons, and this is positive," he said. "Many people have no land and it is difficult to get by here."

The attraction is clear: Factory work is easy to get and requires

no skills; the factories will hire and train almost anyone. In turn, manufacturers get to draw on the massively underutilised workforce in this densely populated nation of 160 million, one willing to toil for a minimum wage that even today is equivalent to just \$38 a month.

Experienced workers get more money, and overtime pay is common, but even particularly skilled garment workers rarely make more than \$100 a month.

In Tekani farm work is low-paid and seasonal. Younger people, especially those now finishing all 10 years of free schooling, see it as beneath them.

Some start small businesses here, if they have the money, or travel each day to more populated areas to do manual labour or pull rickshaws.

But those who dream of upward mobility head to the factories. "Office work," they call it.

"It is a matter of pride," Alom said.

Kulsuma Begum, who came home two years ago to give birth to her youngest son, hopes that when he is older she can return to the industry. Her brother and cousin worked in Tazreen and survived the fire, but she doesn't think every factory is bad.

"That life was better for me," the 25-year-old said. "I used to get cash at the end of every month. But that isn't the case here."

Bangladesh's garment boom has been accompanied by accusations of worker exploitation, abuse and a disregard for basic safety. Factory owners are so powerful that garment workers are unable to form unions, which are common in other Bangladeshi industries.

READ MORE ON B3



Kelvin Leung

## Regional head of DHL Global Forwarding due today

STAR BUSINESS DESK

Kelvin Leung, chief executive officer for Asia Pacific of DHL Global Forwarding, is scheduled to arrive in Dhaka today on an official visit.

The visit principally centres on discussing the realisation of Bangladesh's vast growth potential, the global logistics company said in a statement yesterday.

Leung will attend a country-focused business review meeting and also meet with several key stakeholders and employees, according to the statement.

He is accompanied by Thomas Tieber, CEO for South Asia, and Rodney Pereira, chief financial officer for South Asia of DHL Global Forwarding.

Leung is responsible for managing and directing the business unit's activities and growth in the region. Between 2008 and 2011, he was the CEO for North Asia Pacific and prior to that was the chief operating officer for Asia Pacific region.

He joined Danzas AEI, now known as DHL Global Forwarding, in 2002 as managing director for Hong Kong, South China and Macau. In 2004, he became the vice president for south east Pacific region for DHL Danzas Air and Ocean.

In 2005, he became the vice president of DHL Global Forwarding for Hong Kong, South China and Macau.

Leung graduated from the University of Cambridge, Magdalene College, with a master degree in general engineering science. He received his doctorate in business administration at the Hong Kong Polytechnic University.

DHL Global Forwarding Bangladesh is currently spearheaded by Country Manager Nooruddin Chowdhury.

## India's Ambani brothers sign \$2.1b telecoms deal

AFP, Mumbai

**I**NDIA'S billionaire Ambani brothers announced Friday a \$2.1-billion deal to share telecom tower infrastructure, cementing a reconciliation between the once-warring siblings.

The agreement is the another tangible sign that the two are patching up relations since their bitter fight for control of Reliance erupted after their rags-to-riches father, Dhirubhai, died in 2002 without leaving a will.

Reliance Jio Infocomm, the telecom unit of Mukesh Ambani-led Reliance Industries, signed the agreement with Reliance Communications, the flagship firm of the Anil Ambani group, to share the latter's telecom tower equipment, a joint statement said.

The move will help Reliance Industries to accelerate the roll-out of its long-awaited high-speed fourth generation (4G) telecom services, the companies said.

The aggregate value of the deal is more than 120 billion rupees (\$2.1 billion) for the duration of the agreement, which was not specified, the statement added.

"Under the terms of the agreement, Reliance Jio Infocomm will utilise up to 45,000 ground and rooftop-based towers across RCom's nation-wide network for accelerated roll-out of its state-of-the-art 4G services," the firms said.

In April, the two firms signed a \$220 million deal to share their fibre-optic communications networks.

The latest agreement also allows the two companies to jointly build more towers at new locations, they said.

"The deal is positive for RCom, to help it reduce its debt over a longer-term," Ankita Somani, analyst at Mumbai's Angel Broking, told AFP. RCom has been staggering under a debt of more than \$6 billion.

Reliance rose 0.55 percent to 796.65 rupees while RCom was down 1.1 percent at 116.75 rupees, after a sharp recent rally Friday.

The brothers have been increasing their corporate collaboration since they publicly signalled the end of their dispute with a joint appearance in December 2011 to dedicate a



Industrialist Anil Ambani (L) speaks with his elder brother Mukesh (R) during the funeral procession in Mumbai for their father Dhirubhai Ambani, founder of Reliance Industries, India's largest private company.

memorial to their late father in his home town of Chorwad, in western Gujarat state.

Their mother declared at that time: "There is love between the brothers", after their feud to control the Reliance group, then India's most valuable listed company, ended with them splitting the empire.

Even after they broke up Reliance, the brothers kept battling, fuelled by differences over a 2005 family-brokered deal to share resources from India's largest gas field.

But after a Supreme Court ruling in Mukesh Ambani's favour, the brothers dropped their legal cases against each other.

When they announced the truce, they also scrapped an agreement not to compete in each others' sectors -- which

analysts say has given them far greater operational and financial flexibility.

The announcement of the tie-up comes a day after Mukesh Ambani's Reliance Industries announced plans to invest \$26 billion in its businesses over the next three years.

Mukesh Anani, India's wealthiest man, has expanded from oil and gas into the fast-growing broadband and retail segments in recent years.

Ambani was confident over the expansion of broadband services through group subsidiary Reliance Jio Infocomm, which plans to roll out its high-speed fourth-generation (4G) telecom services later this year.

Reliance Jio, which acquired the 4G airwaves almost three years ago, is the lone Indian company with a pan-India permit for 4G services.

## Abenomics is good news for Europe: Hollande

AFP, Tokyo

**F**RENCH President Francois Hollande said Friday Japan's big spending and ultra-loose monetary policies aimed at boosting its flagging economy were "good news" for austerity-weary Europe.

On a visit to Tokyo, the Socialist leader also stressed his concern at regional tensions as Japan and China square off over disputed islands -- but slipped up verbally by confusing his hosts for the Chinese.

Amid a growing backlash in France over the German-led austerity drive for debt-laden Europe, Hollande called for the same "priority on growth" being stridently promoted by Japanese Prime Minister Shinzo Abe.

"The Japanese government has taken a number of measures since Mr Abe's team came to power," he told reporters. "It is not for me to judge them; they are a matter for Japan."

"But the priority given to growth and the fight against deflation, along with the emphasis on competitiveness for business... is good news for Europe, because in Europe we also have to give priority to growth."

Abe was swept to power in December on a pledge to turn around years of economic weakness and growth-sapping deflation.

He launched a huge fiscal stimulus programme and press-ganged the central bank into flooding the markets with money as it ramped up an already weighty bond-buying programme.

The plan was to double the amount of cash in circulation, forcing up prices and pressuring investors to put their money in riskier assets.

The yen has plunged, driving the Tokyo stock market to five-year highs as investors eye swelling profit margins for Japan's exporters.

Even if the Nikkei has suffered some steep declines in recent trading, the relative success of Japan's daring experiment and the rocketing approval ratings it has brought to Abe are a far cry from the growing discontent of France.

Since his election a year ago,



French President Francois Hollande speaks during a press conference at Institut Francais du Japon in Tokyo yesterday.

Hollande has vowed to tip the main focus of Europe's economic recovery efforts towards growth rather than belt-tightening, but faces opposition from German Chancellor Angela Merkel, who insists the continent must first get its fiscal house in order.

Hollande's praise for Abe's reforms came as Japan and France agreed to work on the joint development of military hardware, as tension simmers in East Asia amid historic shifts that have seen China supplant Japan as the world's second-biggest economy.

Tokyo is locked in a corrosive squabble with Beijing over the ownership of a small group of uninhabited islands in the East China Sea.

Earlier this year, Japan voiced unease at the sale by a French firm of helicopter-landing equipment to China, saying it might be used by Beijing to strengthen its presence around the Senkaku/Diaoyu islands.

During an address to Japan's parliament, Hollande told lawmakers that he was conscious of the security situation in East Asia. "I cannot ignore the tensions in the region and I am concerned about them," he said.

"I hope they can be resolved by dialogue and that countries can settle their differences in accordance

with international law."

However, Hollande risked undermining his positive press coverage in Japan with a slip of the tongue at an earlier news conference.

Speaking in French, he referred to the Algerian hostage crisis in January during which 10 Japanese nationals died, saying he had "expressed the condolences of the French people to the Chinese people".

The president made no attempt to correct his mistake and while his female interpreter changed the word to "Japanese" in her simultaneous translation, French speakers in the room picked up on the error.

Polls in both Japan and China show distrust of the other nation is rampant -- and neither side's nationals like to be confused with the other.

The main focus of Hollande's three-day trip is on trade, especially in the nuclear arena.

The visit saw the signing of agreements in the atomic sector, with France's AREVA and Japan Nuclear Fuel expanding collaboration on used-fuel processing at Japan's Rokkasho-mura.

Abe has said he will order the restart of more of Japan's idled nuclear reactors once their safety is assured, despite public unease in the aftermath of the 2011 Fukushima disaster.