Amazon workers strike in Germany over pay

BBC NEWS

Employees of the internet giant Amazon are taking strike action in Germany in a long-running pay dispute.

The Verdi union said workers would strike at Amazon's logistic centres in Bad Hersfeld and Leipzig and also in Graben. The action coincides with the busy

Christmas shopping period. Amazon employs more than 9,000 workers in Germany.

Later on Monday, a delegation of German workers will also protest at

Amazon's headquarters in Seattle. The union is planning further action on Tuesday in Germany in the town of

Verdi has called a series of strikes this year in an attempt to get the company to accept collective bargaining agreements for

its staff. It says Amazon is not paying them com-

parable rates to other warehouse staff in Germany, because the company has classified the staff as logistics workers, whose rates of pay are lower.

Amazon says that they are well paid compared with other logistics workers in the country.

The union is also unhappy with what it calls the company's practice of "constant monitoring" of workers and what it says are impossible workplace targets.

Last month, an investigation by the

BBC's Panorama programme into a UKbased Amazon warehouse found conditions a stress expert said could cause "mental and physical illness". Prof Michael Marmot was shown secret

filming of night shifts involving up to 11 miles of walking at the warehouse - where an undercover worker was expected to collect orders every 33 seconds.

Amazon told the BBC in a statement that worker safety was its "number one priority".

Farmers in Central Africa need urgent aid: UN

AFP, Rome

The UN food agency on Monday estimated 40 percent of the rural population in the Central African Republic -- or around 1+.29 million people -- are in urgent need of assistance because of the conflict ravaging the country.

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"Farmers need urgent help to prepare for the upcoming planting seasons," the Rome-based Food and Agriculture Organisation (FAO) said in a statement.

It said the number of farmers affected was about double the estimated level from February, adding that the numbers would increase "dramatically" next year if farmers are not able to sow their crops.

FAO said crop production in the country had decreased sharply this year because of the conflict, which has forced around 500,000 people to flee their homes and has cut off access to fields for many farmers.

"Seeds have been in short supply due to looting and because people have had to eat them instead of saving them for planting," said Dominique Burgeon, director of FAO's emergency and Rehabilitation Division. Burgeon said farmers had sold tools and

livestock and raids on livestock and equipment were widespread.

It said a crisis in farming will "severely undermine" the economy since agriculture accounts for 53 percent of the economy and a major share of employment.

Agriculture exports like coffee, cotton and timber -- a key source of foreign exchange earnings -- have dropped this year while food prices are high and volatile.

FAO said maize prices in the capital, Bangui, rose 31 percent between January and November 2013, while millet prices increased by 70 percent between March and October in Ouham, a farming hub in the northwest.

Bukar Tijani, FAO's regional representative for Africa, said the increase in peacekeeping operations was expected to create "favourable conditions" for farmers to return to their fields.

A UN humanitarian appeal is requesting \$241 million (175 million euros) to help 1.8 million people in the Central African Republic.



Singapore-Dhaka flight of the airline at Shahjalal International Airport in Dhaka on Saturday. There will be five flights a week except for Sundays and Wednesdays.



Morshed Alam, chairman of Bengal Windsor Thermoplastics Ltd, presides over the 11th annual general meeting of the company at Bengal Multimedia Studio in Tejgaon, Dhaka on Sunday. The company declared 14 percent cash and 8 percent stock dividends for 2012-13. Humayun Kabir, managing director, was also present.

Carrefour to buy shopping malls in \$2.8b deal

REUTERS, Paris

Carrefour is teaming up with investors to buy 127 shopping malls in which it runs stores, in a \$2.8 billion deal that marks the French retailer's latest attempt to revive its struggling European hypermarkets.

The world's second-biggest retailer behind U.S. group Wal-Mart has been battling for years to turn around its core hypermarket business as time-pressed customers increasingly shop locally and online, and buy non-food goods from specialists.

Chief Executive Georges Plassat has had some success with a drive to revamp stores, improve price competitiveness and cut costs. He said on Monday the rental income from the newly created property firm would help to fund further improvements.

Under the deal, Carrefour and a number of unidentified institutional investors will buy the shopping malls in France, Spain and Italy from real estate group Klepierre for 2 billion euros (\$2.8 billion).

Carrefour will only pay 100 million euros in cash, but will contribute 45 of its malls in France worth 700 million euros, giving it a 42 percent stake in a new company with gross annual rental income of around 180 million euros.

"It's a smart move as they get access to these shopping malls with a limited cash outlay," said Natixis analyst Jean-Baptiste Teissier.

Specific strategies and solutions mattered,

such as "the use of borrowed technologies,

an intense process of learning, the creation

of managerial capabilities in individuals

Indeed, those countries in Latin

America, Eastern Europe and sub-Saharan

Africa that swallowed whole the remedies

different types of enterprises."

FROM PAGE B4

learn from the west

GSK to spend \$1b to raise stake in Indian unit

Inc, and AstraZeneca PLC, covet a bigger

REUTERS, Mumbai

GlaxoSmithKline Plc (GSK) has decided to spend roughly \$1 billion to raise its stake in its Indian pharmaceutical unit, betting on rising demand in emerging markets as sales in developed economies slow due to a wave of patent expirations. With the latest India deal, GSK is set to

spend close to \$2 billion in roughly a year to increase its holdings in two listed Indian companies, its biggest incremental investment in any country in that period. Emerging markets such as India and

Brazil are an important plank of GSK Chief Executive Officer Andrew Witty's growth strategy, as he grapples with slower uptake of the company's products in the developed world.

GSK said on Monday it plans to raise its stake in its Indian pharmaceutical unit, GlaxoSmithKline Pharmaceutical, up to as much as 75 percent from 50.7 percent through an open offer in a deal worth about 629 million pounds.

In February, GSK lifted its stake in its publicly-listed Indian consumer healthcare subsidiary, GlaxoSmithKline Consumer Healthcare Ltd, to 72.5 percent from 43.2 percent for \$901 million.

"What they are trying to indicate that this market can reward them nicely in the future," said Sarabjit Kour Nangra, a sector analyst at Angel Broking. "India is a growing market and GSK cannot afford to lose its hold.'

Western drugmakers like GSK, Pfizer

share of India's fast-growing \$13 billion drugs market, but have been frustrated by a series of decisions on intellectual property and pricing.

India in August revoked a patent granted to GSK for its breast cancer drug Tykerb, a decision that followed a landmark court ruling disallowing patents for incremental innovations that was a blow to global pharmaceutical firms.

Despite the challenges, western drugmakers have been looking to raise their exposure in Asia's third-largest economy betting on an increase in healthcare spending. India currently spends about 5 percent of its gross domestic product on healthcare.

"This really reflects the opportunity we see here in India, particularly the volume opportunity," said David Redfern, chief strategy officer of GSK, referring to the company decision to raise stake in the Indian unit.

"We have a broad range of medicines and vaccines and we really think over the next few years as India develops we can drive a substantial increase in volume to make more medicines and vaccines available to the Indian population."

The deal adds to the growing list of multinational companies raising their holdings in the local units as they look to reduce their reliance on traditional markets even as the Indian economy grew at its slowest pace in a decade in the last fiscal year.

Anglo-Dutch consumer goods company

Unilever in July completed a deal to raise its stake in the Indian unit Hindustan Unilever to 67.28 percent from 52.48 percent in a deal worth about \$3 billion.

GSK will buy up to 20.6 million shares of GlaxoSmithKline Pharmaceutical at 3,100 rupees a share, a premium of 26 percent over its closing market price on Friday. The stock rose as much as 20 percent on Monday to 2,952.15 rupees.

Nangra of Angel Broking said that the premium was attractive for investors who were planning to exit the stock in the near term, but long-term investors were likely to remain invested on future growth potential of the company.

GSK said that it planned to keep the Indian unit listed even after raising its

As per Indian regulations, promoters of listed companies can hold up to a maximum 75 percent stake. If the promoter's shareholding rises beyond 75 percent, the company has to be de-listed from the bourse.

The deal will be funded by GSK's existing cash and will be earnings neutral for the first year and accretive thereafter, the company said. The tender offer will not impact expectations for the parent's long-term share buyback programme, it said.

GSK's Indian pharmaceuticals unit makes drugs for various areas including respiratory, cardiovascular, oncology, antiinfectives and dermatology. The offer is likely to begin in February and the deal is being managed by HSBC.

EU envoy praises improved skills building in Bangladesh

FROM PAGE B4

The report estimated that one million additional skills training places are needed every month for the next eight years in order to avoid an unsustainable rise in unemployment and recession.

One of the key initiatives of improving the skills development system has been improving the apprenticeship system and introducing the concept of dual apprenticeships, where learning happens in both training institutions and in workplaces.

Another change is that dual apprenticeships are designed so that apprentices can directly enter jobs upon graduation. Industry sectors across Bangladesh are successfully using and up scaling these models.

"I am proud to congratulate a diverse group of people on attaining with high quality skills for employment," said Country Director for ILO Bangladesh

Srinivas Reddy.

"The improvements that are being made to the skills development system here in Bangladesh are making it possible for everyone in the country to access training, including females apprentices in nontraditional trades, persons with disabilities and people with low levels of education."

This has been made possible by partnerships between industry and government training institutions, the adoption of gender-responsive, flexible training methods and incorporating basic literacy and numeracy into skills, Reddy said.

"Learning skills means you have a much better chance of a job straight away, which is important especially if you do not live in Dhaka and there are few opportunities," apprentice Amina Akhter from Tangail said.

"After just three months of training in COEL and in a factory, I went straight into a job with a good salary."



Officials present cheque and trophy to the winning team at the finale of the Socio Camp 2013 powered by Durex, organised by North South **University Social Services Club on the university** campus in Dhaka on Friday.

Victory Day flower sales slump in crisis

FROM PAGE B1

However, the frequent shutdowns and blockades, especially Sunday's strike called by Jamaat-e-Islami, have affected flower sales significantly as most traders cannot bring flowers into the city from Jessore, Chuadanga, Meherpur, Satkhira and Magura, traders said.

"We record 60 percent of our sales the day before December 16, but it has fallen sharply as Sunday was a hartal," said Abdur Rahman, owner of Adarsha Flower Shop at Shahbagh.

Rahman, who is in the floral industry for over 7 years now, said, "I used to sell flowers worth Tk 1 lakh to Tk 1.20 lakh on the eve of Victory Day; but it has been slashed to around Tk 30,000 this year."

Customers generally buy floral wreaths for Tk 100-Tk 120 apiece on this day, he said. "But sales of floral wreaths declined by 80 percent this year." Prodip Chouhan, owner of Krishnachura Pushpa

Kendro at Katabon University Market, also shared a similar story. "My sales declined by a third this time." The country has a huge demand for roses, marigold, gladiolus, gerbera, orchids, lilies, tube roses and

some other flowers. Industry insiders estimated flower sales, including exports, at Tk 1,000 crore a year, and flowers are being

cultivated on 2,500 acres of land across Bangladesh. More than 200,000 people are directly and indirectly dependent on the floral industry.

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Human Rights Watch urges brands to compensate Tazreen victims

FROM PAGE B1

Following the fire, labels, clothing and documentation connected to the American brands Walmart, Delta Apparel, Dickies, Sean Combs/Enyce, Disney and Sears, European brands Karl Reiker, KiK, C&A, Edinburgh Woollen Mill, El Corte Ingles, Piazza Italia and Teddy Smith and Li & Fung of Hong Kong, were found at the factory premises.

But each company later said that garments were produced at Tazreen without their knowledge. Human Rights Watch wrote letters to all the 19 companies seeking clarification of their connection with Tazreen, but none have responded.

Regardless, C&A and Li & Fung have provided "meaningful compensation", the New York-based non-governmental organisation said.

Karl Reiker claims it has given donations through its agents, while Piazza Italia and Edinburgh Woollen Mills have offered small voluntary donations, according to Clean Clothes Campaign. KiK, El Corte Ingles and Enyce said they will also make voluntary donations, but have not said how much or when. Only C&A and Karl Reiker have attended a meeting

chaired by the International Labour Organisation (ILO) in September to discuss the setting up of a full and fair compensation scheme, Human Rights Watch said. Dickies, Sears, Disney, Teddy Smith and Walmart,

which was indirectly one of Tazreen's biggest customers at the time of fire, have not offered any compensation, and Human Rights Watch has written to each of these companies asking them to reconsider. "Walmart and the other companies need to pro-

vide adequate and timely compensation for victims and their families," Adams added.

Political unrest slows banks' credit growth

FROM PAGE B1

Hussain said it will have multiple effects -- banks' profit will decrease and classified loans will mark a rise. Also, the government's revenue will fall. Meanwhile, both the interest rates on deposit and

lending have been going down gradually due to a mismatch between credit and deposit growth. The average deposit rate fell to 8.47 percent and

lending rate to 13.42 percent in October, from 8.61 percent and 13.63 percent in July, according to Bangladesh Bank. The rates are likely to fall further in January, Amin said.

Bank, credit in three state-owned banks declined. The credit growth in Rupali was 20.72 percent. However, credit growth of BASIC Bank, a state-

According to central bank statistics, except Rupali

owned specialised bank, was high -- 26 percent.

The central bank should investigate why these banks' credit growth was so high, bankers said.

Western Marine secures contract to build vessel for New Zealand

FROM PAGE B1

Environment-friendliness is also a prime concern for the ship, he said.

"A unique feature that will be incorporated into the ship is the use of wind power through the use of aerodynamically efficient marine kites from Skysails Hamburg." This arrangement will provide some auxiliary

power to the ship.

The ship will be built for Tokelau, a territory of New Zealand in the South Pacific Ocean.

The Tokelau administration will use the ship to carry passengers from Tokelau to Samoa Islands, which is a voyage spanning a few days. The ship will be delivered by December 2014.

existed around 1850."

What the rest really should

of free-marketeers performed worse than before in the 1980s and '90s. Nayyar identifies 14 countries -- Argentina, Brazil, Chile, Mexico, China, India, Indonesia, Malaysia, South Korea, Taiwan, Thailand, Turkey, Egypt and South Africa -- that have advanced furthest in the process of catching up with the West. In 2010, the share of developing countries in world manufacturing value added was "close to the level that

West to the East. Much can still go wrong. Wary of unsustainable generalisation, and technological capabilities in firms, and Nayyar rightly points to "different models the nurturing of entrepreneurs and firms in of industrialization," as well as the great unevenness of growth and deepening inequalities between and within these countries. It is certainly not enough for a developing country to become integrated into global value chains.

Still, Nayyar refuses to subscribe to

mechanical theories of a Great

Convergence, or a shift of power from the

It must be "able to make a transition from imports through absorption, adaptation and diffusion." Technological innovation is crucial. This, in Nayyar's sober verdict, remains the final frontier that South Korea and Taiwan managed to cross, but India, China and Brazil have yet to reach.

Pankaj Mishra is the author of "From the Ruins of Empire: The Revolt Against the West and the Remaking of Asia" and a Bloomberg View columnist.