

New dawn or Wild West? 'Sharing economy' goes global

AFP, Washington

It's a new dawn for transport, lodging -- and pretty much every service under the sun -- and it's all about "sharing."

The so-called sharing economy gained traction across the globe in 2015 as Uber upended the taxi business, Airbnb disrupted the hotel sector and a host of online and mobile startups let people moonlight as chefs or handymen.

Many see great promise in the collaborative economy, starting with the people flocking to it as way to turn their car or apartment, spare time or hobby, into a source of revenue -- with far greater flexibility than a conventional job.

A PriceWaterhouse study estimates that the "sharing" or "peer-to-peer" economy will explode from roughly \$15 billion in worldwide revenues at the end of 2014 to \$325 billion by 2025.

But critics worry the rising sector is an unregulated Wild West with few safeguards for either workers or consumers, and the trend has raised hackles from incumbents fearing for their survival -- cue the taxi driver protests against Uber seen around the world.

Posting on the Uber forum under the handle DaveM, one driver describes a summer gig on Martha's

Vineyard, Massachusetts, as idyllic.

"I'm making good money. If I put in the hours I can get 18 rides a day," he writes. "Beach all day drive at night=happiness."

But user tales of woe collected on a website called AirbnbHell, tell another side of the story.

One lodging guest recounts: "When I got to the house and met the folks they seemed cool. When I went out for dinner, they stole all my stuff and locked me out. To make it worse, they sent me an email saying God bless, Jesus loves you."

-Who stands to benefit? -Facilitated by smartphones and geolocation technology, the sharing model offers consumers vastly expanded choices and often lower prices.

Spearheaded by giants like Uber, present in at least 67 countries, and Airbnb which operates in 190 countries including Cuba, peer-to-peer platforms have the potential "to radically upend both how we consume goods and how we work to afford them," said the PwC report.

Notable platforms include Task Rabbit (running errands), Hourly Nerds (computer consultants), Thumbtack (home repairs), Bon Appetour (home-cooked meals) and Washio (laundry). Services such as

Instacart, Postmates and Grubhub deliver meals or groceries.

"I see this as one stage in a progression representing how digital technologies are changing how we organize work, which has been going on for 30 years," said New York University professor Arun Sundararajan, who specializes in the subject.

In the United States alone, some 18 million workers now earn a significant portion of their income outside of traditional employment, according to MBO Partners. And a study by financial software group Intuit found that 80 percent of large corporations plan to increase their use of a "flexible workforce" in coming years.

Sundararajan says his research suggests people in digital labor markets often earn more than in traditional jobs.

"The evidence I have seen is that wages tend to go up when the work is related to physical presence," as is the case with transportation, delivery or home services, he told AFP. With services that can be outsourced to distant locations, such as web design or translation, wages often fell.

The people who stand to benefit most, said the NYU professor, are those struggling to make ends meet, and who are at or below median income.



Former Bangladesh Bank governors Mohammed Farashuddin and Salehuddin Ahmed pose at a reception organised by Bangla-language financial daily Bonik Barta and Bangladesh Institute of Development Studies, at Sonargaon Hotel in Dhaka on Saturday. Farashuddin and Ahmed were felicitated for their contribution to the country.

CEO Martin Shkreli says securities fraud charges are "baseless"

REUTERS, New York

Martin Shkreli, the pharmaceuticals entrepreneur vilified for jacking up the price of a life-saving AIDS drug, said on Saturday that unrelated securities fraud allegations that resulted in his arrest this week were "baseless and without merit."

Federal prosecutors have alleged that Shkreli was running a Ponzi-like scheme at his former hedge fund and a company he headed before he took the

helm of Turing Pharmaceuticals Inc, where he created an uproar in September when the company raised the price of the drug Daraprim from \$13.50 to \$750 a tablet. "I am confident I will prevail," Shkreli wrote on Twitter on Saturday. "The allegations against me are baseless and without merit."

Shkreli was charged on Thursday with securities fraud, securities fraud conspiracy and wire fraud conspiracy related to his management of hedge fund MSMB Capital Management and

biopharmaceutical company Retrophin Inc. The maximum sentence for the top count is 20 years in prison.

His tweet on Saturday was his first direct comment about the pending charges, although a representative earlier said Shkreli was confident that he would be cleared.

The allegations have amplified the public outrage over the brash, boyish-looking Shkreli, who has become the poster child for the issue of soaring prices for prescription medications.



Eastern Bank CEO Ali Reza Iftekhar launches a mobile application for banking services—EBL Skybanking—at a programme at Sonargaon Hotel in Dhaka yesterday. Subscribers can transfer funds, pay bills, get information on account, loan and cards, and find ATM booth and branch locations through the app.

Volkswagen chairman eyes job rotation for key roles

REUTERS, Frankfurt

Volkswagen plans to limit the time staff can remain in certain roles, its supervisory board chairman told a German weekly, in a step to improve oversight at the German carmaker.

VW said in September it had cheated US emissions tests and installed software capable of deceiving regulators, wiping billions of euros off its market value and forcing out its long-standing chief executive.

"We are planning a rotation principle for certain functions. The employees concerned will spend only a limited time in certain positions before moving on," Chairman Hans Dieter Poetsch told Welt am Sonntag in an interview.

Earlier this month, the carmaker said only a small group of employees was responsible for the incidents and there was no indication board members were involved in what has become the biggest business crisis in VW's history.



Hasan Ahmad, president of Best Holdings, and Dilip Puri, managing director for India and regional vice president for South Asia of Starwood Hotels and Resorts India Pte, pose at the signing of an agreement. Best Holdings and Starwood will work on the Le Méridien Resort and Spa Bhaluka near the capital. Amin Ahmad, chairman of Best Holdings, and Ashwani Nayar, general manager of Le Meridien Dhaka, were also present.

Malaysia's first Islamic-compliant airline takes off

AFP, Kuala Lumpur

Malaysia's first Islamic-compliant airline Rayani Air began operations Sunday with its maiden flight taking off from the capital to the resort island of Langkawi, local media reported.

In-flight meals served on board its flights are completely halal, with alcohol consumption strictly prohibited.

Muslim flight crew must don the hijab while non-Muslim crew are to be decently dressed, managing director Jaafar Zamhari told reporters.

There will also be prayer recitals before take-off.

"We are the first Malaysian airline to be shariah-compliant based on guidelines by relevant authorities. We are proud of this," Jaffar was quoted as saying by The Star newspaper.

"The shariah-compliant aspects will be refined as time goes by," he added using the Arabic word for Islamic law.

There are already other shariah-friendly carriers operating around the world, and UK-based Firms Airways is

planning to offer similar flights next year, according to a Bloomberg new agency report.

Under the concept of halal -- meaning "permissible" in Arabic -- pork and its by-products, alcohol and animals not slaughtered according to Islamic procedures are all "haram" or forbidden.

Halal standards also apply to products such as cosmetics, which may contain animal-derived ingredients, and the conditions under which they are prepared and stored.

Muslim-majority Malaysia has long practised a moderate form of Islam but conservative attitudes are rising.

A company recently introduced halal bottled mineral water in Malaysia, and Islamic speed dating sessions -- where single women are chaperoned -- have been embraced.

A halal convention in Kuala Lumpur earlier this year, which drew thousands of delegates and hundreds of exhibitors, showcased products ranging from food and cosmetics to collagen produced from yaks in Tibet.

Grassroots entrepreneurs honoured

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Islam started his business with a poultry incubator, brought in from abroad in 2000. Later, he started making the poultry incubator locally to cater to the huge demand from the industry.

Over the last five years, he created 200 jobs and if he gets access to low-cost loans, he will be able to employ 500-600 workers.

SME Foundation Chairman KM Habib Ullah said SMEs play a major role in Bangladesh's economy, so it is vital to pay more attention to the sector to accelerate the pace of industrialisation.

He said the small and medium enterprises require loans at single digit.

Muhith said the high interests are an impediment to investments. But efforts are underway to facilitate industrialisation in

Bangladesh, which has been registering over 6 percent growth for the last 15 years.

This is the time and opportunity to move forward, according to Muhith.

IBFB President Hafizur Rahman Khan said Bangladesh has made strides in many areas but the business and investment climate requires improvement.

He blamed political instability, bureaucratic red-tape and corruption for Bangladesh's poor score in the World Bank's Doing Business ranking.

Bangladesh has ranked 121 out of 144 -- behind India, Bhutan, Pakistan and Nepal -- on Forbes' annual list of the best countries for business in 2015.

"Economic issues should be given priority. Let's not let the politics hamper economic activities."

WTO talks end with breakthrough on farm subsidies

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But the conference failed to mend stubborn divisions between poor and rich nations over how to overcome the Doha deadlock and even an additional, unscheduled fifth day of meetings in the Kenyan capital did nothing to end the impasse.

The final declaration adopted Saturday said "many members" reaffirmed their "full commitment to conclude" the Doha Development Agenda goals.

But it added: "Other members do not reaffirm the Doha mandates, as they believe new approaches are necessary to achieve meaningful outcomes in multilateral negotiations."

"Members have different views on how to address the negotiations," it said.

The Doha Round of trade negotiations was launched to great fanfare in the Qatari capital in 2001 with the aim of helping developing countries grow through improved trade access.

But since then, industrialised and developing nations have time and again failed to agree on the level of cuts on industrial good tariffs and agriculture subsidies.

The Nairobi gathering also agreed on a timetable for implementing a deal on getting rid of import duties on 201 high-tech products, whose annual trade is estimated at over \$1.3 billion a year.

Two new countries, Liberia and Afghanistan, joined the WTO club this week, bringing the total number of members to 164.

BGMEA trashes findings on garment factories

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After the Rana Plaza building collapse, all three agencies completed inspection of the electrical, fire and structural aspects of all factories and shut down 36 factories due to high vulnerability.

According to the research by New York University Stern Centre for Business and Human Rights, there are more than 7,000 garment factories in Bangladesh producing for the global fashion industry, 65 percent more than previous estimates.

More than half of these factories are small and medium-sized indirect sourcing factories, meaning their workers produce for foreign brands through other larger factories, said the research.

These factories operate in the shadows. The result is that millions of workers in subcontracting factories fall outside the protection of international safety-improvement initiatives, and are especially vulnerable in a country where unsafe working conditions are a chronic problem, according to the research.

"I do not agree with these findings at all," Rahman said. Regarding subcontracts, Rahman said it is allowed in the authorised factories; the subcontracting is done in consensus between the garment makers and buyers. "If the buyers do not agree with subcontracting in any given factory, it is never done."

Years ago, some factories had business links with unauthorised subcontracting factories, and they were later identified. The buyers had suspended all business ties with those factories, he said.

Rahman who took the reins of the BGMEA three months ago said nobody contacted him before finalising the report. But the research team might have met BGMEA officials before he took charge, according to Rahman.



Nasrul Hamid, state minister for power, energy and mineral resources, presents the best electricity user (industrial) award to Md Mizanur Rahman Molla, a director of MI Cement, owner of Crown brand cement, at Bangabandhu International Conference Centre in Dhaka.



Sayed H Chowdhury, chairman of One Bank, opens the bank's 82nd branch on Sonargaon Janapath road in Uttara, Dhaka yesterday.



Ahmed Shafi Choudhury, a director of Pubali Bank, opens the bank's 440th branch at Kolaroa, Satkhira. Md Abdul Halim Chowdhury, managing director, was also present.