Big business raises Brexit alarm on eve of vote

AFP, *London*

MORE than 1,200 business titans united Wednesday to warn against Britain breaking with the EU, as rivals scrambled for the last votes on the eve of a tightly fought referendum that will shape Europe's future.

The world's fifth-largest economy will suffer a powerful blow to growth and jobs, corporate chiefs warned, if Britain becomes the first state to defect from the EU in the bloc's 60-year history.

The "Remain" camp has a razor-thin lead -- 51 percent versus 49 percent for "Leave", according to an average of polls compiled by What UK Thinks -- and surveys consistently show more than 10 percent of people are undecided.

"Britain leaving the EU would mean uncertainty for our firms, less trade with Europe and fewer jobs," said the chiefs of 1,285 companies employing 1.75 million people, ranging from Virgin boss Richard Branson to media tycoon Michael Bloomberg.

"Britain remaining in the EU would mean the opposite: more certainty, more trade and more jobs. EU membership is good for business and good for British jobs," they said in a letter to The Times newspaper.

World markets are on alert over the historic vote, with many markets edging gingerly higher on the expectation that Britons will finally decide to stay.

If Britain decides to go its own way, however, financier George Soros has warned of a Black Friday plunge in sterling.

With uncertainty rife, the world's leading central banks have consulted over how to react to the financial market reaction, according to the European Central Bank.

Leading Brexit campaigner Boris Johnson, a former mayor of London touted as a future prime minister, won a standing ovation from many people late Tuesday when he urged Britons in a public debate to declare "Independence Day" by voting to pull out of the EU.

"This is our last chance to take back control of so much that matters in our lives," he told Sky News on Wednesday.

Though many voters fret over the financial consequences of a Brexit, others relish the prospect of taking back power from Brussels and reining in high levels of immigration.

"I think we need to make our contribution to Europe and to the global economy. And the best way we can do that is by being in it, not by ignoring it," Chet Patel, a 44-year-old telecoms worker told AFP in central London.

REUTERS

A woman reads a newspaper in London with a 'vote remain' advert for the Brexit referendum.

Pat Hand, a 50-year-old construction worker, said he would be casting a vote to leave the EU.

"The country is in an absolute mess. I work in construction and every single person on my job is not English," he said.

Prime Minister David Cameron, whose job is on the line in case of a Brexit, predicted a "Remain dividend" for the economy if Britain stays but admitted: "It's very close, nobody knows what's going to happen."

"I think on Friday that businesses, wealth creators, job creators will think: Britain has made a decision, let's pile back into the economy and create jobs and opportunity," he told the Financial Times in an interview.

Speaking to BBC television, he said: "Leaving the EU doesn't solve the challenge of immigration but it creates a massive problem for our economy".

"There's no going back if we vote to leave" he said. Two newspapers used their Wednesday front pages for last-minute endorsements of opposite sides of the campaign.

"Lies. Greedy elites. Or a great future outside a broken, dying Europe," wrote the Daily Mail. "If you believe in Britain vote Leave."

But the Daily Mirror urged readers to back EU membership "for your jobs... for your children... for Britain's future".

The campaign has been fought over the two key issues of the economy and immigration, with both sides accusing the other of "scaremongering. The Mirror described it as "the most divisive, vile and unpleasant political campaign in living memory."

Around the world, events will be held to mark what would have been the 42nd birthday of lawmaker Jo Cox, who was shot and stabbed to death last week on a village street in her electoral district in northern England, stunning the campaign.

In his first court appearance on Saturday, her alleged killer, Thomas Mair, gave his name as "Death to traitors, freedom for Britain".

Cox's widower Brendan said his wife, a noted pro-EU campaigner who advocated for refugee rights, had been killed because of her political views. "She worried about the tone of the [referendum] debate... The tone of whipping up fears and whipping up hatred potentially," he told the BBC.

Rival camps meet for a final television debate later in the day featuring anti-EU UK Independence Party leader Nigel Farage and former Scottish First Minister Alex Salmond for "Remain".

Most German industrial firms say Brexit won't hurt their business

REUTERS

NEARLY two-thirds of German industrial companies say a British exit from the European Union won't hurt their business, a poll by the Ifo economic institute showed on Wednesday, albeit underlining differences in size and sector.

According to the survey, 61 percent of respondents said a Brexit would have no negative consequences for their business while 38 percent said it would cause damage.

Larger companies, those with more than 500 employees, were more concerned, with 53 percent of them saying a British exit would have negative consequences for their business.

Looking at different sectors, firms in the electronics, automobile and metals industry were most concerned while food and textile companies were the least unsettled, Ifo said.

The head of the BGA trade association said on Monday German exports will grow less than expected this year due to external risks, including a British exit from the EU and uncertainties ahead of elections in the United States and France - Germany's two most important trading partners.

Britain is Germany's third most important export destination. In 2015, German companies exported goods worth some 89 billion euros (68 billion pounds) to Britain. At the same time, Germany imported British goods worth some 38 billion euros, leaving a trade surplus of around 51 billion euros.

With a total trade volume of 127.5 billion euros, Britain is Germany's fifth biggest trading partner behind the United States, France, the Netherlands and China. For the UK, Germany is the most important trade partner, ahead of the United States.

The DIW economic institute DIW has warned a British exit would likely lead to higher export tariffs, reducing German trade and knocking up to half a percentage point off growth in Europe's biggest economy next year.

Post-Brexit moves to Paris, Frankfurt would mean hefty pay cuts for UK bankers

REUTERS

LONDON-BASED bankers considering a possible relocation if Britain votes out of the European Union would suffer pay cuts of up to 80 percent if they were to move to Frankfurt or Paris, data from salary-benchmarking site Emolument showed.

Analyzing 8,065 salaries for front-office banking roles in London, Frankfurt and Paris, Emolument found that London bankers earned higher salaries than their German or French peers, from entry-level analyst jobs right up to coveted managing director positions.

London-based associates earned 100,000 pounds ($146,570) on average, compared with 71,000 pounds and 70,000 pounds for their contemporaries in Frankfurt and Paris respectively, while directors earned 280,000 pounds - 98,000 pounds more than peers in Frankfurt and 114,000 pounds more than Paris-based directors.

Despite the broad pay gaps, Emolument said some bankers could be financially better off if they moved to Frankfurt, where the cost of living is 60 percent lower than in London. In Paris, however, a 35 percent reduction in living costs compared to London would not fully offset the steep pay cuts a move to the French capital would entail.

"Until now, prestigious banking jobs were usually to be found in London; an attractive set of opportunities on the continent could however give London bankers cause to leave the UK," said Alice Leguay, Co-Founder & COO at Emolument.com.

If Britain does vote to leave the EU in a referendum on Thursday, sources at some banks including JPMorgan, Morgan Stanley and HSBC have indicated they could be forced to move front office and trading activities to continental offices.

4G tech needed to speed up digitisation

Senior official of Huawei talks about the market in Bangladesh

MUHAMMAD ZAHIDUL ISLAM, *back from Bangkok*

THE 3G technology is not robust enough to handle all aspects of digitisation and hence the emergence of fourth generation of mobile telecom technology such as the LTE, said a top official of Huawei.

"If the Bangladesh government goes for LTE services it will help run the country's financial digitisation in a different manner and help accelerate domestic economic growth," said Qiu Heng, president of wireless marketing operations at Huawei, in an interview.

Huawei recently organised a two-day programme styled Asia-Pacific LTE Summit 2016 in Bangkok, which was attended by more than 300 telecom experts and representatives from different operators.

Heng talked with The Daily Star on the sidelines of the event.

LTE is a standard for wireless communication of high-speed data for mobile phones and data terminals. It is based on the 2G and 3G networks but it increases the capacity and speed using a different radio interface together with core network improvements.

As of April, 1.07 billion people around the globe are using the Long-Term Evolution (LTE) technology for entertainment and surveillance.

"And the people of Bangladesh should not be deprived of it. I am quite sure after launching the LTE service in Bangladesh all the data users will not use 3G. LTE will lead the industry."

LTE was launched in 2009 with more than 500 operators in 162 countries. Of the 500 operators, 238 are using Huawei technology.

"In a digital society, people need to be prepared for the cyber world to make the world beautiful. Other things such as food and water security are essential for people's daily lives and ICT can give the users' easier surveillance."

The government can also take LTE services to secure people's lives, Heng said, adding that the modern technology can make mobile payment, mobile transaction, remote education and mobile office faster.

"ICT surveillance with better technology like LTE will ensure better security -- without it you can't make a foolproof security."

To increase ICT use in the country, three things need to be ensured: allocation of more spectrum to mobile phone operators, giving the carriers the scope to use spectrum efficiently by granting technological neutrality, and increasing base stations.

At present, the mobile operators in Bangladesh have one site for every one million users, whereas globally, there is one site for 480,000 users on an average.

Considering the current situation, Heng suggested Bangladesh should use the 1800 megahertz and 2100

Qiu Heng

MHz bands for LTE, as both of them are already being used by mobile operators, so it would allow faster rollout.

In contrast, the 700 MHz band that is currently free will take some time for rollout.

Heng refused to comment on the government's plan on spectrum price for the next auction, which is fixed at $25 million for every MHz.

In countries like China and Japan, spectrum is free.

"The government needs to place telecom services as a basic infrastructure and if operators don't spend much money on spectrum purchase then they can spend it on developing a quality network."

In developing nations like Bangladesh where access to fixed-line broadband connections is limited, LTE will bring super-high-speed connectivity for the first time and will help them compete on a global scale.

There will also be significant gains for workers who use some form of mobile devices.

Employees are already using mobile internet on a daily basis for business purposes such as checking e-mails or accessing documents.

LTE will allow people to work remotely and use cloud services via their mobile devices, which will benefit the economy significantly, Heng said.

However, Huawei, which spends 15 percent of its annual revenues on research and development, has already started work on the next major phase of mobile telecom standards beyond the 4G and introducing 'internet of things'.

Apple free to take bite out of India after rule change

AFP, *New Delhi, India*

THE gleaming glass atriums and blue-clad "geniuses" that herald the arrival of an Apple store could soon be landing in India, after the government cleared the way for it to open in the rapidly growing smartphone market.

Before now, the Silicon Valley giant has been just a bit-player in the country of 1.2 billion, selling through local shops with none of its own.

It applied to open stores in January, but was reportedly rebuffed because of a diktat that states foreign retailers must source 30 percent of their products locally.

But on Monday New Delhi relaxed the rules, just weeks after Apple chief Tim Cook toured India on a breathless charm offensive where he was pictured using Prime Minister Narendra Modi's gold iPhone to launch the premier's own app.

Companies making state-of-the-art technology -- understood to include Apple -- now have up to eight years to meet the sourcing requirements under a waiver, part of a push by India's pro-business government to attract foreign investment and create jobs.

For Apple, which saw iPhone sales dip for the first time ever in the second quarter due to slowing demand in China and the United States, India is a tantalising prospect.

While analysts say it currently accounts for only around one percent of global iPhone sales, its giant population and low number of smartphone owners relative to its size mean it is a huge potential market.

"Apple has not really seen India as an important enough market in the past, but somewhere, the penny has dropped," Devangshu Dutta, chief executive of retail consultancy Third Eyesight, told AFP.

Apple's vast, hands-on stores are designed to become destinations in their own right, analysts say, luring potential customers with the promise they can play without buying.

"The store is not just a place to do business -- it acts as a live billboard

REUTERS

The Indian government has eased the rules for Apple to do business in the country.

for the brand," Dutta said.

Browsing mobile accessories in FutureWorld, a technology retailer in New Delhi's Connaught Place, Aryamaan Chauhan said he would "definitely" visit an Apple store if one opened in the city.

The 19-year-old IT student owns an Android smartphone, bought for about 20,000 rupees ($295), but is considering switching loyalties.

"Money is what's stopping me. My budget is low, I can't afford it," Chauhan said.

"Now, I think most Indian people prefer Android but they are shifting. After graduation I will buy an iPhone."

With a basic iPhone starting at almost $600 -- more than in many countries, thanks to India's high taxes -- they are wildly unaffordable for most in a nation where average incomes are less than $1,600 a year.

Handsets costing under $100 dominate the market, many of them made by Chinese manufacturers such as Xiaomi or Huawei.

"It won't become mass-market, (Apple) will always be a niche player. This is a very cost-conscious market," Vishal Tripathi, research director at Gartner, a technology research firm, told AFP.

"But there is a growing number of consumers who like Apple."

By pricing itself exclusively at the luxury end, Apple has distinguished its brand from arch-rival Samsung which has both low-cost and high-end phones.

"Indian consumers are always under the notion that more expensive means better and consider carrying an iPhone as more of a status symbol than anything," said Bhasker Canagaradjou, the head of Ipsos Business Consulting in India.

"The brand enjoys a very strong aspiration value, especially among the young population."

For now, Apple has given no indication when or if it plans to open its own stores. But if it does, it will eventually have to meet strict sourcing rules as the government exhorts companies to manufacture in India.

The company will require factories that can produce its exacting, cutting-edge products -- something India largely lacks.

"To create a local supply chain, it takes time. They will be able to operate stores and benefit from stores in the meantime," said Dutta.

Foxconn, the major Taiwanese Apple supplier which also assembles products for Sony and Dell, is spending billions of dollars setting up factories in India.