

# S Korean industry titans grilled in scandal probe

AFP, Seoul

The publicity-shy heads of South Korea's largest conglomerates faced their worst nightmare on Tuesday, as they were publicly grilled about possible corrupt practices before an audience of millions.

The eight men summoned to appear before a cross-party parliamentary committee probing an influence-peddling scandal engulfing President Park Geun-Hye are among the wealthiest and most influential in the country. The hearing was carried live by all main Korean broadcasters -- providing a deeply unwelcome spotlight for people unused to being interrogated or held accountable by anyone.

The witness list was a who's who of South Korea's business elite -- including Samsung Electronics vice-chairman and chief-in-waiting Lee Jae-Yong, Hyundai Motors chairman Chung Mong-Koo and Lotte chairman Shin Dong-Bin.

Their giant family-run corporations, or "chaebols", have dominated the export-driven direction of Asia's fourth largest economy for decades.

All eight faced tough questions about tens of millions of dollars their companies donated to two dubious foundations controlled by Choi Soon-Sil, a close friend of the president.

Choi is now awaiting trial on charges of coercion and abuse of power -- accused of leveraging her ties to Park to strong-arm the chaebols into funding the foundations and then siphoning off cash for her personal use.

Prosecutors have named the president as a suspect in their investigation, citing evidence suggesting she colluded with Choi in coercing the "donations" out of the companies.

"Today's hearing must be an occasion to boldly tell the truth and ease public suspicions about providing financial aid to an individual or a company to solve pending problems," committee chair Kim Sung-Tae said before the eight were sworn in.

The chief question the tycoons face is whether the money was provided on the understanding of some reciprocal favour or reward.

Samsung's Lee Jae-Yong appeared extremely uncomfortable as he sought to deflect questions by the committee over his company's links to Choi's family. "I am aware that we caused great concern to the people and I came here with a heavy heart," Lee said.

Samsung -- the South's largest business group -- made the biggest contributions of 20 billion won (\$17 million) to Choi's foundations, followed by Hyundai, SK, LG and Lotte.

Samsung is separately accused of funnelling millions of euros to Choi to bankroll her daughter's equestrian training in Germany.

As part of the widening probe, prosecutors are also investigating whether Samsung lobbied officials at the state pension fund over a contested merger last year.

The fund, which is the largest shareholder in many Samsung companies, cast a decisive vote in favor of the merger of two Samsung affiliates that strengthened Lee Jae-Yong's

control of Samsung Electronics.

The nexus between South Korea's corporate and political cultures has a long and murky history.

The only precedent for Tuesday's hearing was in 1988 -- a year after the restoration of a presidential democracy following decades of military rule.

In that case, the chaebol heads were questioned by lawmakers over donations they had made to another foundation -- essentially set up as a slush fund for former military strongman Chun Doo-Hwan.

The current scandal that looks set to cut short Park Geun-Hye's presidency has lifted a lid on simmering anger over widening income gaps and resentment at the gilded life and privilege of the country's political and business elite.

Protesters outside the national assembly greeted the corporate chiefs with cries of "lock them up" and some were bundled aside by security as they tried to shove banners in front of the arriving tycoons.

"It's extremely rare for these people to be exposed to the public eye in this way," Chung Sun-Sup, CEO of Chaebol.com, a website that tracks corporate assets and practices, told AFP.

"People hate them for their behaviour and envy their wealth. For many, the sight of them being summoned to parliament for a grilling will be quite cathartic," Chung said.

A number of the business leaders have fallen foul of the law before, including Hyundai's Chung Mong-Koo, who was convicted of embezzlement in 2007.



Abdul Fattah, chairman of CP-Plus, a surveillance and security system service provider, and Rafiqul Anwar, managing director, attend the CP Plus Introductory Show, at Araz Restaurant and Banquet in Dhaka on Sunday. Global Brand Pvt Ltd, the distributor of CP Plus in Bangladesh, organised the event.

## BTRC asks operators to introduce voicemail

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All mobile operators in the country had this service previously, but in 2014, they got rid of it as only a few hundred customers used the service.

The Association of Mobile Telecom Operators of Bangladesh will send its response within a short time, said a senior official of an operator, requesting not to be named. "To run this service, huge investments are required, but output will be almost zero," he added. "That's why the regulator should not force us to go for this unnecessary investment."

BTRC Chairman Shahjahan Mahmood expressed his interest several times in the past to introduce the voicemail service. "Like in other countries, our mobile phone users will be benefited," said Mahmood at a public hearing on the mobile phone operators' services at the Institution of Engineers, Bangladesh in Dhaka in the last week of November.

The BTRC chairman also organised consultation meetings with the operators, where they placed their points against the voicemail service, officials said.

## Exports buoyant

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Raw jute shippers registered 17.78 percent growth to \$86 million in the first five months of fiscal 2016-17.

A spike in demand from Pakistan fuelled export earnings from the golden fibre, said an industry insider.

Frozen and live fish, mainly shrimp, exporters fetched \$245 million in July-November period of the fiscal year, up 7.16 percent year-on-year.

## Asian nations must do more to create decent jobs: ILO

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Women are frequently paid less for work of equal value and are less likely to be in leadership and decision-making roles.

And particularly worrying is the fact that there seems to be no decisive movement to narrow the gender pay and gender discrimination gaps in the region's labour markets, Ryder said.

"No doubt, the region will want to remain the engine of global economic growth that it has become, and certainly that is something the rest of the world shares an interest in as it struggles to escape the slow growth trap in which it has remained caught since the crisis which struck in 2008," Ryder said.

"But things are changing. China has, by a deliberate decision entered a "new normal" of slower growth."

Important initiatives for regional integration -- notably the Asean economic community -- are underway precisely at a moment when inter-regional initiatives are called into question, he said.

Demographics vary considerably across the region but will have a major impact. The effects of ageing are being ever more acutely felt in some societies, and that situation co-exists with the

over-riding challenge of youth unemployment everywhere. "And that means that migration for work will be a key feature of our future," he said.

"And let me add my recognition that, at a moment when the international community is struggling to address a global refugee crisis, it is this region that has long hosted some of the largest refugee populations, with countries making enormous efforts which make a strong claim on international shared responsibility."

Ryder went on to point out that ratification of the ILO's eight core conventions is low in the region: only 14 of the 47 member states have done so.

He also highlighted the achievements of the countries of the region over the last decade, which accounts for 60 percent of the global labour force.

The average wages and incomes have risen significantly, and almost doubled for the middle and upper classes, while the number of extreme poor has dropped rapidly from 21 percent of total employment in 2006 to 10 percent in 2015.

Around half of the region's workers and their families are now classified as middle-class or above and the labour productivity has grown annually at around twice the global rate,

Ryder added.

Hanif Dhakiri, minister of manpower of Indonesia, said the global economy is facing more complex challenges, due to which representatives from about 35 countries from the Asia-Pacific and the Gulf regions met in Bali.

"Challenges like climate change, fast information development, population demography have made us to collectively discuss to find joint solutions for these employment problems."

The Asia-Pacific countries as well as the Arab states have a crucial role in accelerating decent work inclusively at the global level, Dhakiri added.

Felix Anthony, National Secretary of Fiji Trade Union Congress, said: "We demand the respect of labour rights and trade union rights."

The Bangladesh delegation includes Mujubul Haque, state minister for labour and employment; Mikail Shipar, labour and employment secretary; Salahuddin Kashem Khan, president of Bangladesh Employers' Federation; and Wajedul Islam Khan, general secretary of Bangladesh Trade Union Centre.

Srinivas B Reddy, country director of ILO in Bangladesh, also attended the meeting.



The officials of CDL and Mann Bangladesh attend a deal signing ceremony at the head office of CDL on Sunday. CDL purchased 22 lifts and escalators for its upcoming project—Capita Times Square—in Tongi.

# Employ more people with disabilities: analysts

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The German and Bangladesh governments are jointly running the PSES project. Sharing his experience, Moshikul Azam Shajal, managing director of Posmi Sweaters Ltd, said his company has been working with people with disabilities for a long time now.

"The productivity of these people is on a par with the other workers. They are really loyal and good. They should get equal opportunities. When they get the opportunity, they can show that they are fantastic."

Imran Islam Chowdhury, managing director of Vintage Denim Ltd, said they started with nine persons with disabilities about nine years ago.

"We faced problems from the management and the workers' side initially. Now they have no problem."

Vintage Denim employs more than 140 persons with disabilities and plans to raise it to 400 soon.

Mahfuz Anam, editor and publisher of The Daily Star, called for using the phrase "differently abled" to refer to people with disabilities.

"They may be brighter than us. Then who are we to call them disabled?" he said, referring to British physicist Stephen Hawking and former US president Franklin D Roosevelt, both of whom struggled with serious illness throughout their career.

If people with disabilities are referred to as 'differently abled', then a whole new world will open for them, he said. "So, what is needed is a change in mindset." It would be foolish to exclude the differently abled in the

efforts of nation building, he added.

Anam said 20 million people are differently abled and this is a huge number. "We need to care for them and use them in our development activities."

Thomas Prinz, ambassador of Germany to Bangladesh, backed Anam and also called for skills development of the differently abled, so they can contribute to the economic development.

ABM Khorshed Alam, chief executive officer of the National Skill Development Council, said the government is firmly committed to including all segments of the society.

"We need to carry out a study to find the types of jobs that cater to the requirements of the factories."

Md Siddiqui Rahman, president of Bangladesh Garment Manufacturers and Exporters Association, agreed that the inclusion of the persons with disabilities in the workforce is important for sustainable economic growth.

The entrepreneur said it has been found that the people with disabilities are productive and loyal to their owners.

Miran Ali, managing director of Misami Garments Ltd, said international buyers could be brought on board to include more persons with disabilities in the workforce.

Kishore Kumar Singh, senior skills development specialist at the International Labour Organisation in Bangladesh, said awareness has to be created and translated into action to change the mindset.

He said many factory owners are willing to employ people with disabilities, but they do not know how.

Humayun Kabir, head of human resources of Vintage Denim and also a person with disability, said if workers are taken care of when they first join, a lot of problems can be overcome easily.

Shafiqul Islam, executive director of the Centre for Rehabilitation of the Paralyzed (CRP), said social support is crucial in absorbing the persons with disabilities in the workforce.

The CRP regularly organises training programmes for these people in the areas of garments and animal husbandry, in an environment where the participants can interact with potential employers before they join any work.

Shamoli Akhter shared her experience of being a disabled person. She was born with deformity in one of her legs and had to quit education after passing SSC as, she said, both students and teachers used to look at her differently.

She attended a four-month course at the CRP and now works as a quality inspector at Naz Bangladesh, a woven garment maker. "I am fine now. The factory allows me to enter and leave early and I also get an opportunity to leave first if any accident occurs."

Although her husband left her and her one-and-a-half-year-old son because of her condition, Shamoli said she does not feel beaten.

The CDD is now working with 175 garment factories where more than 1,460 persons with disabilities are employed. Shahedul Anam Khan, associate editor of The Daily Star, Sarwat Ahmad, senior adviser to the PSES, and Nazmul Bari, a director of the CDD, also spoke.

## Qatar to spend \$13b on 'mega projects' in 2017

AFP, Doha

Qatar will invest up to \$13 billion in major infrastructure projects next year despite a slump in revenues resulting from low energy prices, the Gulf state's finance minister said on Tuesday.

Ali Shareef al-Emadi predicted growth of 3.4 percent in 2017, in line with an International Monetary Fund estimate and up from a projected 3.2 percent this year.

"Increasing the investment in mega projects reiterates the country's commitment to achieving its goals," Emadi told delegates at a Euromoney conference in Doha.

## Inflation edges down as food prices cool

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Non-food inflation also declined to 5.33 percent from 5.58 percent in October and 6.19 percent in September.

Besides, the general inflation rate at the urban level declined to 6.56 percent in November, down from 6.87 percent in October. This rate came down to 4.75 percent at the rural level from 4.87 percent in October.

At the rural level, food inflation went down slightly by 3 basis points to 4.83 percent in November from a month ago, while non-food inflation declined to 4.6 percent from 4.83 percent in October this year.

In urban areas, food inflation also fell to 6.74 percent in November from 7.09 percent in October. The non-food inflation rate also witnessed a declining trend with 6.35 percent in November from 6.63 percent in October.



Fakir Akhtaruzzaman, vice chairman of the executive committee of Shahjalal Islami Bank, opens the relocated Madhabdi branch of the bank on Sunday. Khandoker Sakib Ahmed, director, and Farman R Chowdhury, managing director, were also present.



Syed Waseque Md Ali, managing director of First Security Islami Bank, opens an agent banking outlet of the bank, at Bakra Bazar in Jessore on December 1.