



Rupali Chowdhury, managing director of Berger Paints Bangladesh Ltd, poses with 13 painters who won motorcycles through raffle draw from among 7,000 craftspeople of the company's Samporko Club at its head office in Dhaka recently.

## US-China trade row not a threat to world economy: Mnuchin



US Secretary of the Treasury Steven Mnuchin

AFP, Nusa Dua, Indonesia

US Treasury Secretary Steven Mnuchin pushed back Saturday against warnings that Washington's trade fight with China imperils the world economy, saying that pushing Beijing to open up will be good for all.

The IMF has warned this week at annual meetings in Bali that the escalating US-China trade confrontation would hobble global economic growth, as the fund lowered its forecasts for this year and next.

But Mnuchin told reporters on the Indonesian resort island that President

Donald Trump's drive to punish China with tariffs to encourage it to adopt fairer trade practices would have the opposite effect.

"Our objective with China is very clear: it's to have a more balanced trading relationship," Mnuchin said.

"I think that if we are successful, this is very good for US companies, US workers, Europeans, Japan, all of our other allies, and good for China."

Mnuchin said, however that the IMF's warnings were "all the more reason for China to be incented to address these issues with us".

The IMF Tuesday cut its outlook for global GDP growth by 0.2 percentage points to 3.7 percent for 2018 and 2019, saying that "everyone is going to suffer" from a clash between the world's two biggest economies.

Tensions have soared in recent months with Donald Trump's administration rolling out billions of dollars in tariffs against China in a bid to tackle its trade deficit and rein in what Washington views as unacceptable trade practices by the Asian giant.

"Our objective is to increase exports and have a more balanced, fair relationship where our companies can do business there on terms that are similar to how they can do business (in the US)," Mnuchin said.

"(A) free fair and reciprocal relationship."

Attention has begun to turn toward hopes that Trump and Chinese President Xi Jinping could meet on the sidelines of the G-20 summit next month in Argentina and bury the hatchet with some sort of agreement.

"I don't think any decision has been made in regards to a meeting," Mnuchin said.

"To the extent that we can make progress toward a meeting, I would encourage that and that's something we are having discussions about."

"But for the moment, there's no preconditions. The president will decide on that."

## US senators urge India to soften data localisation stance

REUTERS, New Delhi

Two US senators have called on Prime Minister Narendra Modi to soften India's stance on data localisation, warning that measures requiring it represent "key trade barriers" between the two nations.

In a letter to Modi dated Friday and seen by Reuters, US Senators John Cornyn and Mark Warner - co-chairs of the Senate's India caucus that comprises over 30 senators - urged India to instead adopt a "light touch" regulatory framework that would allow data to flow freely across borders.

The letter comes as relations between Washington and New Delhi are strained over multiple issues, including an Indo-Russian defence contract, India's new tariffs on electronics and other items, and its moves to buy oil from Iran despite upcoming US sanctions.

Global payments companies including Mastercard, Visa and American Express have been lobbying India's finance ministry and the Reserve Bank of India to relax proposed rules that require all payment data on domestic transactions in India be stored inside the country by October 15.

The letter is most likely a last-ditch effort after the RBI told officials at top payment firms this week that the central bank would implement, in full, its data localisation directive without extending the deadline, or allowing data to be stored both off-



REUTERS/FILE

Indian and US national flags flutter in New Delhi.

shore as well as locally - a practice known as data mirroring.

"We see this (data localisation) as a fundamental issue to the further development of digital trade and one that is crucial to our economic partnership," the US senators said in the letter that has not been previously reported. Modi's office did not immediately respond to an email seeking comment.

Other than the RBI proposal, India is working on an overarching data protection law that calls for storing all critical personal data in India. E-commerce and cloud computing policies are also being developed.

The letter also raised concerns on the draft data protection bill and e-commerce policy framework that called for stringent localisation measures.

These measures have unnerved some tech companies who fear it will increase their infrastructure costs, hit their global fraud detection analytic platforms and affect planned investments in India at a time when more and more Indians are going online and using digital payments.

US lobby groups, that represent companies such as Facebook Inc, Amazon.com and Alphabet Inc-owned Google, have also voiced concerns about the proposals.



SIBL

Quazi Osman Ali, CEO of Social Islami Bank Ltd (SIBL), and Manoj Kumar Biswas, general manager for Sustainable Finance Department of Bangladesh Bank, exchange documents in Dhaka recently after signing a deal which would allow SIBL to participate in an Islamic Refinance Scheme for investing in green products or initiatives.

## Key EU lawmaker's plan to rein in online marketplaces a threat to Amazon

REUTERS, Brussels

Amazon could face a threat other than just EU antitrust scrutiny after a key EU lawmaker announced proposals aimed at curbing online marketplaces' use of merchants' data to boost sales of own brand products.

Seeking to ensure a level playing field between tech giants such as Google, Amazon and Apple and traditional businesses, the European Commission in April outlined draft rules to prevent unfair business practices.

The proposal specifically targets app stores, search engines, e-commerce sites and hotel booking websites.

European Parliament lawmakers, whose approval is needed to ensure the proposal becomes legislation and under pressure to be seen as consumer-friendly ahead of elections in May, have since come up with about 680 amendments to beef up the draft.

Key among these is the one proposed last week by Danish center-left lawmaker Christel Schaldemose, the lead parliament



REUTERS/FILE

The logo of Amazon is seen at the company's logistics centre in Boves, France.

negotiator, which takes aim at a case her compatriot, European Competition Commissioner Margrethe Vestager, is looking into.

Schaldemose has proposed setting up Chinese walls between subsidiaries, according to a draft seen by Reuters. She aims to get her committee to vote on the

amendments on Dec. 6.

Vestager last month said she was gathering information on whether Amazon uses merchants' data in a way that hurts competition. Her power lies in her ability to impose fines while Schaldemose's proposal, if accepted, would be more far-reaching as it would apply to all companies

regardless of their market power.

In her amendment, Schaldemose referred to investigations by antitrust regulators in the European Union and elsewhere into online intermediation services' dual role as a marketplace and as a rival on the same platform.

"To ensure fairness, the provider of the online intermediation service should not be allowed to disclose the data generated by the transactions of a business user to third parties for commercial purposes, including within their own corporate structure, without the consent of the business user," the draft said.

Lawmakers also want the rules to cover voice assistance services or virtual helpers such as Amazon's Alexa, Apple's Siri and Google Assistant because of their increasing popularity.

After the committee vote, Schaldemose would then seek approval at the assembly a week later. EU lawmakers would then need to thrash out a common position with the Commission and EU countries before the proposals become law.

## Walmart acquires online lingerie retailer

REUTERS, New York

Walmart Inc said on Friday it has acquired online lingerie retailer Bare Necessities for an undisclosed amount, its second apparel-focused acquisition in less than two weeks as it seeks deeper inroads into the online fashion space.

Walmart last week acquired Eloquii, a fashion startup that sells plus-sized clothing. The company also tied up with comedian and talk show host Ellen DeGeneres to launch a women's fashion line in August.

In 2017, the Bentonville, Arkansas based retailer partnered with department store chain Lord & Taylor and started offering its products on Walmart.com. Lord & Taylor is owned by Hudson's Bay Co.

Walmart also last year bought ShoeBuy, which specializes in footwear and apparel; Moosejaw, which sells outdoor wear; Bonobos, which sells men's clothing and ModCloth, an online seller of women's apparel.

Walmart's string of small fashion-company acquisitions is designed to help the retailer access younger, millennial customers who do not normally shop on its website, and recover ground lost to Amazon.com Inc and others.

The deal also reflects a sense of urgency to defend market share. According to a report from Morgan Stanley, Walmart had 8.6 percent of the US apparel market in 2017, followed by Amazon at 7.9 percent and Target Corp at 4.8 percent.



LFMEAB

Md Saiful Islam, president of Leathergoods & Footwear Manufacturers & Exporters Association of Bangladesh (LFMEAB), attends a seminar on "Potential of Investing in Footwear Manufacturing Industry in Bangladesh" organised by A&E and Spectrum Lanka Technology Solutions Ltd in Dhaka recently.

## A tech boom in Pittsburgh brings hope and angst

REUTERS, Pittsburgh

The city of Pittsburgh, the one-time steel capital that's long been a symbol of Rust-Belt decline, is emerging as a vibrant hub for artificial intelligence, robotics and biomedical companies eager to tap a rich talent pool.

Yet the resulting economic renaissance is leaving many locals uneasy - a symbol in its own right of the nation's mounting concerns about the success of high-tech industries and their effect on wages and jobs.

At a conference in Pittsburgh last month showcasing new technology companies, Mayor Bill Peduto cautioned the city to avoid the "precarious position" of Silicon Valley, where an explosion of tech wealth has left many people behind. "It's at the front of everyone's brain," Peduto said.

In 2014, the number of Pittsburgh-area private-sector jobs in the scientific and R&D sectors - excluding academic positions - for the

first time exceeded those in iron and steel mills, which were the lifeblood of the economy until their collapse 30 years ago. As of March, 2018, there were 41 percent more jobs in R&D than in the mills, according to the Pennsylvania Center for Workforce Information and Analysis.

Benefits of the tech boom have been limited. Around Allegheny County, where steel and natural gas industries still provide an important, albeit declining, number of jobs, about 12 percent of the population still lives in poverty.

Pittsburgh's angst comes as new tech replaces old industry, offering the biggest economic opportunity since the first steel mills opened at the end of the 19th century, but with no assurances of who will benefit. The United States Steel Corp building still sits downtown, among the constant reminders of a glorious economic past that gave way to despair 30 years ago.

Many neighborhoods are still pockmarked by long-abandoned warehouses and decrepit homes, and the population of

302,000 is less than half what it was in the 1950s. A number of once-wealthy US manufacturing cities, most notably Detroit, have experienced a similar fate.

Pockets of Pittsburgh now resemble a small-scale Silicon Valley, humming with fast-growing tech businesses that have attracted billions of dollars in private financing and young professionals commanding six-figure salaries. The city is a finalist for Amazon.com Inc's second headquarters.

Much of the new activity springs directly from the artificial intelligence and machine learning technologies pioneered at Carnegie Mellon University and the University of Pittsburgh, premiere academic institutions that have helped anchor the city through its industrial decline.

Carnegie Mellon faculty and students have been building self-driving car technology for decades, but only in the last few years has it become an industry.