Samsung workers' union announces first strike

AFP, *Seoul*

A major union representing tens of thousands of people at South Korean tech giant Samsung Electronics said Wednesday that workers will go on strike for the first time, potentially threatening key global semiconductor supply chains.

A spokesperson said union members, around 20 percent of the company workforce, would use annual leave to strike for one day on June 7, leaving the door open for a potential general strike down the road.

Samsung Electronics is one of the world's largest smartphone makers and also one of the only companies globally to produce high-end memory chips used for generative AI, including top-of-the-line AI hardware from industry leaders such as Nvidia.

Management at the firm, the world's biggest

Management at the firm has been locked in negotiations with the union over wages since January

producer of memory chips, has been locked in negotiations with the union over wages since January but the two sides have failed to narrow their differences.

"We are declaring a strike in the face of the company's neglect of labourers," the National Samsung Electronics Union said at a live-streamed news conference.

"We have tried to solve the issue through dialogue," said the union, which represents more than 28,000 people.

"Responsibility for all collective action from now lies squarely on the company. We are declaring our stance in the face of the company's neglect and interference in our peaceful struggle so far," it said.

The strike, if it goes ahead, would be the first walkout by workers at the South Korean tech giant.

Union president Son Woo-mok said the union had accepted the pay raise proposed by the company but was asking for one additional holiday plus "a transparent system to measure the performance bonus based on the sales profit". "The company is not hearing us and they are not communicating from our last negotiation session," he said.

PHOTO: AHMED HUMAYUN KABIR TOPU

Bulls are seen feeding at a farm in Pabna sadar upazila. Livestock traders and farmers across Bangladesh are busy fattening their animals in hopes of higher sales ahead of this year's Eid-ul-Azha. However, ongoing inflationary pressure in the country could curtail their profits.

Sacrificial animal traders eye big sales ahead of Eid

But sustained inflationary pressure could cut their profits

AHMED HUMAYUN KABIR TOPU, *Pabna*

Livestock traders and farmers in Bangladesh are eyeing big sales of sacrificial animals centring this year's Eid-ul-Azha, but their dreams of hefty profits may be thwarted by ongoing inflationary pressure.

According to officials of the Department of Livestock Services (DLS), the number of sacrificial animals prepared this year exceeds the expected demand.

Around 1.3 crore sacrificial animals have been prepared across the country, with 52 lakh being cows and bulls, 1.6 lakh buffalos, 68.5 lakh goats and 7.67 lakh lambs, said Md Shariful Haque, deputy director of the DLS.

"About 1.25 crore sacrificial animals were prepared for the last Eid-ul-Azha while an additional 4.44 lakh were prepared this year in anticipation of higher sales," he added.

Haque informed that while 1.041 crore animals were sacrificed last year, the DLS expects the demand to be at least 10 percent higher this year.

But although the demand for sacrificial animals has increased, the prevailing inflationary pressure could curtail people's purchasing capacity and thereby reduce profits, said Md Imran Hossain, president of the Dairy Farm Owners Association.

"The sale of sacrificial animals depends on the socioeconomic condition. Many people have lost their purchasing ability due to heightened inflation in recent times, which calls into question their ability to pay the expected prices," he added.

Against this backdrop, Imran urged the government to stop animal imports for the sake of local farmers.

"We have enough sacrificial animals in the country. So, if livestock from India or other neighbouring countries do not come in the Eid market, then local farmers will get the expected prices," Imran said.

And although sales of sacrificial animals have yet to begin at the field level, wholesale traders and big farms are already busy selecting their best livestock for the Eid market.

Still, the delay is significant as it marks a change from the tradition where most sacrificial animals are sold from the field level to wholesalers a month ahead of the major religious festival for Muslims.

"We are yet to see the expected number of customers in the wholesale market," said Saiful Islam, president of the Dairy Farm Owners Association in Pabna.

Saiful had fattened 30 cows and bulls in anticipation of Eid sales but most of the animals had remained unsold as of Sunday as he was not getting the expected prices.

"The production cost per maund [37 kilogrammes] can reach up to Tk 28,000 each month for excessive feed and maintenance costs, but wholesalers are reluctant to pay more," he added.

On the other hand, Raju Ahmed, a livestock trader of Jalalpur village in Pabna, said he fattened 32 cows and bulls and already sold 25 to wholesalers in Dhaka for a handsome price.

"Each animal sold for Tk 8-10 lakh on average while the biggest cow, weighing approximately one tonne, sold for Tk 26 lakh last week," he added while saying that he expects to sell the rest in another week.

This correspondent also found that most traders and farmers are preparing more middle and small size livestock this year considering the current market conditions.

"It cost up to Tk 18,000 each month to fatten livestock this year while it was Tk 16,000 last year. This is because feed prices have soared, with each 50-kilogramme bag now costing a minimum of Tk 200," said Md Raju, a farmer of Ramkharua village in Sirajganj.

Also, higher labour costs, utility bills and other expenditures have increased the burden on farmers, he added.

So, considering these excessive costs, livestock weighing more than five maunds will be sold for Tk 28,000 per maund while the price of smaller animals will be Tk 30,000 per maund, said Pabna Dairy Farm Owners Association President Islam.

According to him, Pabna and Sirajganj are the country's biggest hubs for raising and trading sacrificial animals centring Eid-ul-Azha.

Why is national logistics policy vital for Bangladesh?

M MASRUR REAZ

The national logistics policy for Bangladesh can play a pivotal role in developing a world-class, technology-driven, cost-optimised and time-efficient logistics ecosystem. With its strategic position within South Asia, Bangladesh could establish itself as a central nexus for road, sea, and air transportation through the well-developed and comprehensive logistics policy, which has the potential to enhancing local and international trade and investment competitiveness.

Bangladesh aims to achieve an upper middle-income status by 2030 followed by high income status by 2041. To reach this ambitious goal, Bangladesh requires seamless trade connectivity, robust infrastructure, and increased export and logistics efficiency.

Logistics is a vast, complicated, and multidimensional space. It comprises all modes of freight transportation and related infrastructure, ports, land ports, storage, and warehousing facilities, as well as third-party logistics services, such as freight forwarders. Despite this, the logistics sector of Bangladesh existed without any common framework until recently, making the sector haphazard, costly, and without efficient coordination.

The new logistics policy providing a national framework and a national vision comes with the promise of making the logistics sector more efficient, transparent, and hassle-free to induce robust economic growth.

A collaborative effort among stakeholders from the private and public sector, the National Logistics Policy 2024 is a testament to home-grown and inclusive policy making. Effective leadership and timely coordination by the Prime Minister's Office, and active collaboration with stakeholders helped in gaining a comprehensive understanding of the challenges and opportunities within the logistics sector.

Given that Bangladesh is an export-oriented economy, the national logistics policy has an important role to play in improving the logistics infrastructure and achieving high export targets. As Bangladesh transits from its least-developed country (LDC) status, the erosion of the duty-free regime in the European Union, the country's largest export destination, will increase the cost of exports to the EU by 8.16 percent and may make Bangladesh's products less appealing.

However, the cost reduction through an efficient logistics sector can help Bangladesh retain its export competitiveness post-LDC graduation. The World Bank found that the cost of logistics in Bangladesh is between 4.5 percent and 48 percent across different sectors, exceeding those of other trading partners and neighbouring countries.

The new logistics policy has the potential to bring down time and cost of trade, facilitating a sophisticated logistics sector that will boost Bangladesh's ability to tackle forthcoming tariff-imposition post-LDC era and maintaining global competitiveness. The formulation of the policy clearly addresses the needs of the businesses which were long overdue. A well-developed logistics sector through successful implementation of the policy has the potential for turning Bangladesh into a global logistics hub and boost exports significantly.

A World Bank analysis indicates that by reducing the logistics expenses by 1 percent, it is estimated that the export demand for Bangladeshi goods could rise by up to 7.4 percent. Other initiatives, such as raising the minimum speed to 40km/hr and reducing the dwell times at ports by one day can increase the exports by 3.7 percent and 7.4 percent, respectively.

The key activities for implementing the policy include establishing multidimensional logistics hubs, economic zones, international corridors, and seaports, land ports, river ports and airports. Implementation of the policy will also require facilitating private participation in logistics infrastructure and services, effective coordination among the regulatory bodies, government-private sector collaboration, and user-friendly policy development for swift border clearance.

There is no doubt that a strong logistics infrastructure is a gateway for Bangladesh to develop itself as a vibrant, high-income nation. While the formulation of the National Logistics Policy 2024 is clearly a milestone for the logistics industry, it needs to be well-executed for it to be a game-changer.

The author is chairman of Policy Exchange Bangladesh.

S&P upgrades outlook on India's sovereign rating

REUTERS, *Mumbai*

S&P Global Ratings raised India's sovereign rating outlook to 'positive' from 'stable' while retaining the rating at 'BBB-', saying on Wednesday the country's robust economic expansion was having a constructive impact on its credit metrics.

"We expect sound economic fundamentals to underpin the growth momentum over the next two to three years," S&P said, adding that regardless of the election outcome, it expected broad continuity in economic reforms and fiscal policies.

India's marathon national election lasting six weeks, the world's largest, is in its final stage with votes scheduled to be counted on June 4, and investors are gearing up for Prime Minister Narendra Modi securing a third term in office.

The rating agency's positive outlook on India is predicated on its robust economic growth, pronounced improvement in the quality of government spending, and political commitment to fiscal consolidation, it said.

"We believe these factors are coalescing to benefit credit metrics," S&P analysts wrote in a note.

The Indian rupee was off its day's lows while the benchmark 10-year bond yield eased three basis points to 6.99 percent after the outlook upgrade.

India's weak fiscal settings had always been the most vulnerable part of its sovereign ratings profile, S&P said.

Elevated fiscal deficits, a large debt stock and interest burden persist, but the government is prioritising ongoing consolidation efforts, it added.

IMF lifts China growth forecast but warns on industrial policy

AFP, *Beijing*

The International Monetary Fund on Wednesday raised its yearly growth forecast for China, but warned that Beijing's industrial policy risks a "misallocation" of resources and could harm trade.

The world's number-two economy has been battered in recent years by a long-running debt crisis in the property market, which accounts for a quarter of gross domestic product, while weak consumer spending and persistent deflation are also dragging on growth.

But there are some signs of recovery: growth beat forecasts in the first quarter of the year, which Beijing described as a "good start".

And the IMF said Wednesday that those figures and "recent policy measures" to lift the economy had allowed it to raise its growth forecast for the year to five percent -- in line with a target set by authorities in March.

The Fund had initially projected 4.6 percent expansion, adding that it welcomed steps in recent weeks to boost the property market.

"The ongoing housing market correction, which is necessary for steering the sector towards a more sustainable path, should continue," it said.

But, it added that "a more comprehensive policy package would facilitate an efficient and less costly transition while safeguarding against downside risks".

It also warned Beijing's strong support for strategic industries risked a "misallocation" of resources and trade blowback.

"Scaling back such policies and removing trade and investment restrictions would raise domestic productivity and ease fragmentation pressures," the latest report said.

Beijing has faced growing pressure in recent months to curb industrial "overcapacity", with the United States warning excessive state subsidies could flood global markets with cheap goods.

A meeting of finance ministers and central bankers from the Group of Seven world powers this month saw them vow to present a "united front" against China's alleged unfair trade practices and industrial overcapacity.

In the medium term, IMF Deputy Managing Director Gita Gopinath told a news conference in Beijing, "growth is expected to slow to 3.3 percent due to ageing demographics and slower productivity growth".

She also pointed to "significant fiscal challenges, especially for local governments", adding "sustained fiscal consolidation over the medium term is needed".

This month, Beijing cut the minimum down payment rate for first-time homebuyers and suggested the government could buy up commercial real estate -- some of its most ambitious moves yet to lift the property market out of an unprecedented debt crisis.

No details were provided on how many houses would be bought.

PHOTO: REUTERS/FILE

Employees work on the production line of American company Kids II Inc at a factory in Jiujiang, Jiangxi province, China. IMF warned Beijing's strong support for strategic industries risked a "misallocation" of resources and trade blowback.