

Obama Signs Law To Prevent Another Recession

Washington: (IANS) US President Barack Obama has signed into law the most sweeping financial industry reform legislation since the Great Depression, terming it insurance against the kind of meltdown that led to a brutal recession.

New regulations on Wall Street-type financial firms will not only help prevent another meltdown, but also establish "the strongest consumer financial protections in history", he said before signing the bill.

There is "no dividing line between Main Street and Wall Street," Obama asserted as close to 400 people including business leaders like Citibank's Indian American CEO Vikram Pandit, lawmakers and consumer advocates watched.

"The primary cause (of the economic crisis) was a breakdown in our financial system," Obama



said, noting the financial industry meltdown nearly dragged down the American economy in 2008.

That breakdown, he said, was attributable in part to "unscrupulous lenders," firms like AIG that placed "massive, risky bets with borrowed money," and rules that "left abuse and excess unchecked" while leaving "taxpayers on the hook if a big bank or financial institution ever failed."

In the future, "if a large financial institution should ever fail, this reform gives us the ability to wind it down without endangering the broader economy."

Obama vowed that because of the law, "the American people will never again be asked to foot the bill for Wall Street's mistakes. There will be no more taxpayer-funded bailouts. Period."

Considered Obama's second major legislative

victory after the health reforms, the bill passed over objections from Republicans who complained that it did not address the root problems that caused the meltdown.

In a statement following the signing, House Republican leader John Boehner said the bill "provides permanent bailouts for his Wall Street allies at the expense of community banks and small businesses around the country."

It does "nothing to reform Fannie Mae and Freddie Mac, the government mortgage companies that triggered the financial meltdown by giving too many high-risk loans to people who couldn't afford them."

Obama also sought to reassure Wall Street and financial institutions that the reform will "foster innovation, not hamper it."

"It demands accountability and responsibility from everyone. It provides certainty to everybody from bankers to farmers to business owners to consumers."

Wipro Says Price Pressure Is Easing

Kolkata: (IANS) Information Technology major Wipro has started experiencing easing of pricing pressure and is currently "holding on to its price levels", a top official said here Tuesday.

"Discussions (with clients) are now moving away from further price discounts," Sambuddha Deb, executive vice president and chief global delivery officer of the company, told reporters on the sidelines of a seminar here.

He said markets are "becoming better" but big new deals are yet to come.

Deb said most of the businesses that the company is now getting are coming from existing clientele. "People who had deferred their spending, are now with improvement in general surroundings, releasing budgets," Deb said. He further said Wipro's share of businesses that come from existing clients, which was about 90 percent, have gone up in recent times. The momentum has been strong over the past two quarters, said Deb.

India's Commercial Space To Face The Problem Of Plenty



New Delhi: (IANS) India's realty sector is likely to face the problem of plenty with office rental space set to outstrip demand resulting in a further

drop in rentals, according to a report released recently.

"With the forecast growth of net completions expected to outpace that of net absorption, a significant supply overhang is expected to remain over the next one year," Confederation of Indian Industry (CII) and global real estate services firm Jones Lang Lasalle Meghraj said in a joint report.

"This will lead vacancy level across India, which was 17.2 percent in 2009 to rise to 20 percent by 2010-end," it added. It said the commercial lease and rental space in India would witness a low occupancy rate till 2011.

The report, however, added that most Indian cities have witnessed an increase in the volume of lease transactions in the first quarter of 2010 with Delhi, including the national capital region, Mumbai and Hyderabad having recorded more than a million square feet of leases each.

In 2009, occupiers showed a strong preference towards operational vacant stock rather than projects under construction, a departure from 2007-08, the report pointed out. On the future trend, report said the most micro-markets were expected to reach their rental lows within the next 2-3 quarters, if not reached as yet. This indicates that the window of opportunity for occupiers, where balance of power favours them, continues to shrink with every passing quarter.

"With India's economic recovery well under way, its commercial real estate market is beginning to stabilise. Apart from charting the today's lucrative micro-markets in terms of commercial real estate, this report also affirms that the commercial property landscape will remain favourable for tenants in 2010, and that landlords will have greater influence towards the beginning of 2011," said Abhishek Kiran Gupta, Head - Research & REIS, Jones Lang LaSalle Meghraj.

Invest In India's Water & Sanitation Sectors: US Official

Washington: (IANS) Noting that 12 percent of India's over 1.2 billion people still lack access to safe drinking water, the US has asked donors to make targeted investments in India's water and sanitation sector.

"Targeted investments, even very small ones, in the water and sanitation sector can have indisputable economic and public health benefits," Robert Blake, Assistant Secretary of State for South Asia, said at India Donor Roundtable here recently.

Citing World Health Organization estimates, he said every US dollar invested in water and sanitation in developing regions generates an economic benefit of \$5 to \$28.

"Businesses, academia and civil society have

a lead role to play in developing and refining technologies to improve water quality in India, and around the world," Blake said.

The magnitude of India's water needs cuts across income levels, urban and rural populations, and all industrial sectors, he said noting almost half of India's 626 districts were drought-stricken in 2009.

Yearly monsoons supply more than 75 percent of India's annual precipitation over a period of less than three months, making storage and transport capabilities critical.

The challenges go beyond drinking water and sanitation. Approximately 80 percent of India's water is used in agriculture, Blake said. However



No Compromise On Security, Privacy: BlackBerry

Toronto: (IANS) BlackBerry maker Research In Motion (RIM) said here recently that it would not compromise on security and privacy of its smart phones while responding to the ban on BlackBerry by the United Arab Emirates and Saudi Arabia.

The Telecommunications Regulatory Authority of the UAE said Sunday that it would ban BlackBerry email, messaging and web services from Oct 11 as RIM smart phones send users' data to its centers overseas. Saudi Arabia has also announced it would follow the UAE in banning BlackBerry.

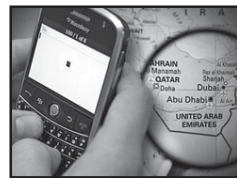
"As a result of how BlackBerry data is managed and stored in their current form, certain BlackBerry applications allow people to misuse the service, causing serious social, judicial and national security repercussions," the regulator had said last week before announcing the ban date Sunday.

BlackBerry maker RIM, which is based at Waterloo near Toronto, said in a statement Monday that though UAE concerns are justified, it will not compromise the security and privacy of BlackBerry users.

"While RIM does not disclose confidential

regulatory discussions that take place with any government, RIM assures its customers that it is committed to delivering highly secure and innovative products that satisfy the needs of both customers and governments," the statement said.

"Governments have a wide range of resources



and methodologies to satisfy national security and law enforcement needs without compromising commercial security requirements."

The UAE ban will also cover foreign travelers passing through Emirate airports.

BlackBerry has over 500,000 subscribers in the UAE. But the impact of the ban will be much wider as about 100,000 foreign travelers - mostly corporate honchos and business people - pass through its Dubai airport daily. Currently, BlackBerry operations in the UAE account for 3 percent of its global business.

Analysts here said the ultra-conservative UAE and Saudi Arabia are targeting the BlackBerry as its secure technology doesn't allow these governments to see people's emails.

Unlike other smart phones - iPhone 4 or Nokia - whose services are handled by local wire-

less operators, BlackBerry doesn't send emails over the internet. BlackBerry messages are first encrypted and securely stored on the smart phone and then sent out in encrypted manner through its own highly secure Network Operation Centre or server.

Because of its secure encryption technology, BlackBerry has been a hit with global corporates, financial institutions and governments in more than 170 countries, accounting for more than 46 million subscribers worldwide as of today.

In fact, President Obama didn't give up his BlackBerry even after assuming office because of its "security architecture".

But since BlackBerry is losing smart phone market to Apple's iPhone 4 and Google Android devices in North America and concentrating on emerging markets, analysts think RIM will reach a compromise before the UAE ban comes into force.

Handling UAE data locally by installing network nodes could be one of the solutions, they said. Last year as well, the UAE mobile operator Etisalat had brainwashed BlackBerry users into installing a spy software in the guise of a service upgrade, forcing RIM to intervene and get it removed.