

Politics still plays havoc with banks

Economists at city dialogue demand JS debate on donor prescription

STAFF CORRESPONDENT
Politics is still responsible for the dismal performance of the banks and acts as a major problem for the economy, Prof. Wahiduddin Mahmud said yesterday.
Bank licences were given to persons of political choice who then herded other sponsor directors to float banks, he pointed out at a city dialogue.
Moreover, bank boards are not only inefficient but are also involved in taking illegal advantage.
"In some cases, young persons crowding the boards are not capable of running a business. This will not help improve the health of the banks and the situation should be changed," he felt.
Deteriorating ports, telecom and utility services will seriously dent real investment, he said, adding that high

cost of fund chokes private sector growth.
The spread between the deposit and lending rates is too high at around seven to eight per cent, Mahmud said, adding that interest rate deregulation in the hope of lowering fund cost did not work.
The International Chamber of Commerce-Bangladesh (ICC-B) organised the dialogue titled 'Financial Sector Reforms: Reflection on Recent Measures' at the conference hall of the Metropolitan Chamber of Commerce and Industry (MCCI). ICC-B President Mahbubur Rahman chaired the meet.
Bangladesh Bank Governor Dr Fakhruddin Ahmed attended the dialogue as chief guest while Professor Dr Wahiduddin Mahmud, chairman of the Financial Sector Reforms Committee, and Dr Debapriya, executive director of the Centre for Policy

Dialogue were present as special guests.
Economist Dr Debapriya Bhattacharya told the dialogue that donor prescriptions regarding financial sector reforms should be debated in the parliament as they did not bring any positive result.
"In many cases, the World Bank and the IMF's prescriptions were far from the reality. Still, they are never debated publicly," he told a city dialogue.
Local bodies like the Bangladesh Bank and the Bank Reforms Committee also have no less expertise than the donor specialists coming from Washington, he said.
Governor Fakhruddin Ahmed said a new law which would come into effect from May 1 would quicken settlement of default loans.
"In case of default loans, the



Not a seasonal affair...Vendors have once again encroached on the Osmani Udyan, one of the few open spaces bordering the old part of Dhaka city. This picture taken yesterday shows mango sellers occupying the park.

Saddam's half-brother captured

REUTERS, QATAR
US-led special forces in Baghdad captured Saddam Hussein's half-brother Barzan Ibrahim Hasan, a former head of Iraqi intelligence, yesterday, a US general said.
"Early this morning, coalition special operations forces, supported by US Marines, captured Barzan Ibrahim Hasan al-Tikriti," US Army Brigadier General Vincent Brooks told a news conference at war headquarters in Qatar.
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Where is the regime leader?
AGENCIES
Despite the capture of Barzan, Saddam Hussein's half-brother, there were a few solid clues to the whereabouts or fate of the toppled regime leader himself, who has vanished along with his two sons, Uday and Qusay, and most of his ruling elite.
One of Bush's top aides, White House chief of staff Andrew Card, said in an online discussion he believed Saddam was dead.
But a senior US official said later he was unaware of any evidence
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South African batsman Jacques Rudolph hits a boundary off bowler Mohammad Rafique during the TVS tri-nation cricket tournament at Bangabandhu National Stadium. At 81, he was the top scorer of the match.

Batting lets hosts down

SPORTS REPORTER
Bangladesh completed yet another one-day assignment with little to show to the world as they crashed to a 93-run defeat against South Africa in the TVS Cup tri-series at the Bangabandhu National Stadium yesterday.
The outcome not only left Khaled Mahmud's men with four straight defeats in the competition, more

embarrassingly extended their world record to 36 losses in succession.
Playing their final preliminary match in front of a cheering home crowd, the national team never looked like chasing South Africa's 261-4 under lights at the big bowl.
They were eventually bowled out for 168 with six balls to spare. The only high point of last night's chase
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Rejoinder and our reply

The Ministry of Information has contradicted a report ran by The Daily Star on April 15 headlined "PMO staff mint money from puffed up photo, documentary budget".
It said the report was unfounded, factually incorrect and fabricated.
The ministry said two photographers appointed on contract at the PMO avail all logistic facilities, including their cameras, from the Press Information Department.
Photographs taken from the prime minister's programme on a day-to-day basis are processed and developed in the colour lab of the PID for distribution among the news media. On an average, the photographers cover two or more programmes of the prime minister daily.
Given the number of newspapers in Dhaka and divisional headquarters, more than 100 photographs are needed a day to meet the demand of the newspapers, the ministry said.
It said the figure as mentioned in the report is less than what it should
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Errata

The report, "Petrobangla cos' autonomy trampled in 10-day span", carried by The Daily Star yesterday had two errors.
Referring to the new board of the Gas Transmission Company Ltd (GTCL), the report mentioned a new director as a businessman of the Summit Group. In fact, he is a representative of Bangladesh Energy Association, a platform of different energy sector business groups.
Secondly, the report misquoted Petroleum Act 1974, saying it allowed Petrobangla to form its company. Actually, the Act empowers Petrobangla to produce and distribute oil and gas on behalf of the government.
The DailyStar regrets the errors.

Firefight north of Baghdad, US troops kill several Iraqis

Grenade attack on British patrol

STAR DESK
US troops killed several Iraqis and captured 100 others in a brief firefight north of Baghdad and a British patrol near Basra in southern Iraq was attacked by rocket-propelled grenades, US military officials said in Qatar yesterday.
The northern Iraqi city of Mosul continued to be rocked by violence that witnesses said killed 15 people and wounded 28 in two days, with US forces insisting they were firing "in response to threats".
A riot broke out at a bank yesterday after thieves blew a hole in the vault

and dropped children inside to bring out fistfuls of cash.
US troops defused the situation by arresting the thieves and removing the money for safekeeping.
The incident -- part of the lawlessness that has broken out in Baghdad with the fall of Saddam Hussein -- took place at a branch of the al-Rashid Bank. As word spread about the robbery under way, people gathered, demanding that the thieves give them the money. Many of the people had accounts at the bank.
Two men with Kalashnikov rifles shot over the heads of the crowd and

ran for a nearby bridge. As the crowd grew larger and more agitated, a US special operations patrol called in reinforcements, and an army platoon arrived. The patrol arrested a dozen men inside the building, several of them teenagers.
About 1,000 civilians surged around the 16 soldiers attempting to secure the bank building. At one point the soldiers cocked their rifles and charged at a group of men to get them to back away from their Bradley fighting vehicles.
The troops blew open the vault with C-4 explosives, finding about
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EU for UN central role in Iraq work

AFP, Athens
The European Union called yesterday for a "central role" for the United Nations in rebuilding Iraq as the 15-nation bloc sought to put deep differences over the campaign against Saddam Hussein behind it.
In a statement agreed at a meeting in Athens, the EU also said it "reaffirms its commitment to play a significant role in the political and economic reconstruction of the country".
"The UN must play a central role, including in the process leading towards self-government for the Iraqi people, utilising its unique capacity and experience in post-conflict nation-building," said the statement.

The EU was bitterly split by the US-British war that toppled Saddam. The emerging consensus on Iraq among its leaders, including British Prime Minister Tony Blair, suggests the bloc may be coming together again.
The EU, wielding the "soft power" of humanitarian relief, said it was planning an air bridge to fly wounded Iraqi children to hospitals in Europe.
But the extent to which the United Nations, or the EU itself, will be allowed to get involved in longer-term reconstruction in Iraq depends on a profoundly sceptical United States.
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Leash on road diggers soon

JULHAS RIPON
The Dhaka City Corporation (DCC) has decided to impose a ban on city road digging by utility service providers without prior approval of the mayor, official sources said yesterday.
A policy with the provision of penalty for the embargo-breakers is being worked out, they added.
The Ministry of Environment and Forest is also planning to get a legisla-

tion passed to check indiscriminate road digging.
The ministry is preparing a draft of the law and expecting to introduce it in the next session of the Jatiya Sangsad.
The moves came in view of 'perennial digging' of avenues, streets, lanes and by-lanes by a raft of utility service providers throughout the year causing sufferings to people.
At present rules are there to take

prior approval of the DCC for excavation of city roads, but they lack the provision for penalty, a DCC official said.
Under the penalty rules in the making, utility service providers have to complete their work within the stipulated time or count compensation money.
Currently, the WASA is installing
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NSI conducts raid beyond brief

STAR REPORT
The National Security Intelligence (NSI) on Wednesday acted beyond its brief and "arrested" 37 foreign currency dealers in an unprecedented raid to flush out 'illegal trading'.
The home ministry was aware of the incident as verbal complaints were lodged with it.
"Arresting anyone or conducting a raid is not the function of the NSI," said a top official of the ministry, "adding, "We are trying to find out what was the motive for this kind of act."
The NSI is mandated only to gather information on state security matters. This is for the first time the NSI

carried out a raid and arrested people, sources said.
They said some 30 NSI personnel, along with policemen and officials of the Bureau of Anti-Corruption (BAC), swooped on currency traders on Wednesday afternoon.
The detainees, carrying foreign currency, were then taken to the NSI office on mysterious grounds.
About one hundred people including the relatives and friends of the arrestees, were seen milling around the NSI office that evening.
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