

No growth possible without expanding tax net: Saifur



STAFF CORRESPONDENT
The proposed budget for fiscal 2003-2004 will contain inflation and lead to sustainable growth, needed to attain the millennium development goals (MDGs), said Finance Minister M Saifur Rahman yesterday.
"The aim of the proposed budget is to ensure growth by expanding the tax net to achieve MDGs that require a 7 per cent gross domestic product (GDP) growth to halve poverty by 2015," he said.
Without casting the tax net wide, attainment of sustainable growth is impossible, he said at a post-budget press briefing at the National Economic Council.
Education Minister Dr Osman Faruq, Agriculture Minister MK

Anwar, Commerce Minister Amir Khosru Mahmud Chowdhury, State Minister for Aviation and Tourism Mir Md Nasiruddin, State Ministers for Finance and Planning Anwarul Kabir Talukdar and Shah M Abul Hussain were present.
Saifur said the proposed budget was a midcourse between external dependency and wide-ranging taxation.
The budget has a commitment to achieve macro-economic stability by making adequate allocations and offering incentives to sectors like education, agriculture and export-oriented industries.
Besides, the proposed budget channels 63 per cent of development and 35 per cent of non-



Powell arrives on June 19

DIPLOMATIC CORRESPONDENT
US Secretary of State Colin Powell will visit Bangladesh on June 19 as part of his three-nation trip to Asia and the Middle East from June 16 to 23.
Powell will arrive in Dhaka after a two-day visit to Cambodia, according to a US State Department press notice released on June 12 and received in Dhaka yesterday.
During his visit to Bangladesh, Powell will meet Prime Minister Khaleda Zia and senior officials to

US forces kill 97 Iraqis

Two big operations: Twin bomb attacks on oil pipeline

REUTERS, Baghdad
US troops killed 27 Iraqis who ambushed a tank patrol yesterday, after killing at least 70 at a guerrilla camp the day before, in the bloodiest clashes since President Bush declared major combat over.
The US military has launched two big operations west and north of Baghdad this week to try to root out what it says are diehard Saddam Hussein loyalists behind a recent spate of attacks on American troops in mainly Sunni Muslim areas.
A US statement said an organized group of fighters had fired

rocket-propelled grenades at a 4th Infantry Division tank patrol in Balad, about 60 miles from the capital.
"The tanks returned fire, killing four of the attackers, and forcing the remainder to flee," it said. "Tanks and Bradley fighting vehicles reinforced with AH-64 Apache helicopters pursued the enemy personnel, killing 23 of the attackers."
No US casualties were reported in the clash.
Some 4,000 troops have been scouring an area around the Tigris river northeast of Balad since

Monday in "Operation Peninsula Strike," which the military said was the biggest operation it had launched in the past six weeks.
In the other big assault, launched early on Thursday, at least 70 people were killed at a "terrorist" training camp in northwest Iraq, a US military spokesman said on Friday.
He said the 101st Airborne Division and special operations units were involved in the raid that began with an air strike on the camp, 90 miles northwest of Baghdad. One US soldier was wounded. The operation was still in progress.

The spokesman said a US helicopter had been shot down during the operation on Thursday. The Apache's two-member crew were rescued unhurt as two other Apaches engaged irregular Iraqi fighters. It was the first time a US helicopter had been shot down since the fall of Baghdad on April 9.
The statement said 70 to 80 SAM-7 surface-to-air missiles, 75 to 78 rocket-propelled grenades and a score of AK-47 assault rifles had been found at the suspected training camp.

SEE PAGE 11 COL 7

Budget reaction

Mixed bag from chambers

STAFF CORRESPONDENT
The proposed budget for fiscal 2003-04 has sparked off mixed reaction among the business community.
While a number of chamber bodies and business associations lauded the increase in budgetary allocation for infrastructure development and tax exemption for the farm sector, many others found it improper that jute sector was 'ignored' and income tax range was raised for bank directors.
The Metropolitan Chamber of Commerce and Industry (MCCI) said the finance minister has quite rightly given emphasis on the development of infrastructure and human resources.
It also lauded increased allocations for transport and communications, power and energy, education and technology.

In a statement, MCCI Acting President AHafiz Choudhury said the development budget for 2003-04 is dependent on external sources to the extent of 51 per cent and therefore, any shortfall in foreign assistance will call for cuts in development expenditure, as in the current fiscal.
The Dhaka Chamber of Commerce & Industry (DCCI) said allocation for the improvement of law and order is inadequate.
The Chittagong Chamber of Commerce and Industry (CCCI) hailed the proposed project for construction of the third bridge over the Karnaphuli river.
Tax exemptions for poultry, fisheries and livestock will give impetus to farm sector, President of the chamber Amir Humayun Mahmud Chowdhury said in a statement.
But it is not appropriate to increase the range of income tax of

listed banks and insurance companies, he thought.
Faridpur Chamber of Commerce and Industry (FCCI) said the proposed budget did not mention anything about the pre-shipment inspection (PSI) system although importers were being harassed for a long time.
Bangladesh Frozen Foods Exporters Association said the budget reflects the intention to establish good governance and improve of law and order.
"The incentives for agro-based industry and the allocations for education, health and communication sectors will have a positive impact on the economy," said a statement issued by President of the association Quazi Monirul Haq.
(See further details on Page-6)

Anti-poverty vision missing: Debapriya

STAR REPORT
The proposed budget for the fiscal 2003-04 failed to design any illustrative plan for poverty reduction, said Executive Director of the Centre for Policy Dialogue Debapriya Bhattacharya yesterday.
Although the new budget closely followed the mid-term macroeconomic framework agreed under the Interim-Poverty Reduction Strategy Paper (I-PRSP), a poverty reduction recipe of the World Bank, it did not give any clear indication of reducing poverty, Debapriya and his team told a press briefing on initial assess-

Yet another attack on press freedom: Amnesty

STAFF CORRESPONDENT
Amnesty International has urged the Bangladesh government to ensure that under no circumstances Editor of The Daily Star Mahfuz Anam, Editor of the Prothom Alo Motiur Rahman and Awami League General Secretary Abdul Jalil will be detained in connection with the writing and publication of a letter to the prime minister.
In a statement yesterday, the London-based international human rights watchdog further urged the government to reform the Penal Code to ensure once and for all that no one expressing an opinion peacefully will be detained or imprisoned under the 'criminal defamation' laws.



A US Army soldier from Taskforce "Ironhorse" watches the street behind barbed wire in the Iraqi town of Duluiyah during Operation Peninsula Strike Thursday in which coalition forces detained over 400 suspects and seized numerous weapons systems and ammunition.

PHOTO: REUTERS

SEE PAGE 11 COL 1

7 trawlers with 84 fishermen missing in Bay

AKTER FARUK SHAHIN, Barisal
Seven fishing trawlers with 84 crew on board have gone missing in the Bay of Bengal and all efforts to trace them for the last three days have failed.
Sources said three rescue teams from Patharghata of Barguna district were sent to the deep sea on Thursday, but there was no report on the fishermen or the trawlers till filing of this report last night.
The missing trawlers are FB Anik, FB Zubair, FB Atithi, FB Julekha, FB Saikat, FB Shahidul and FB Mitaili. The 84 fishermen on board those trawlers are from Barguna and Patharghata.
According to the Fishing Trawlers' Owners Association of Patharghata, over 100 trawlers on June 9 set out for the deep sea from Patharghata to catch hilsha fish. But all except the seven trawlers returned to shore after three tornadoes swept the coastal areas on June 10 and 11.
Relatives of the missing fishermen have crowded the Association office but there hasn't been any word from the search and rescue teams, said association president Golam Mostafa.

AL rally blasts SQ Chy for filing defamation suit

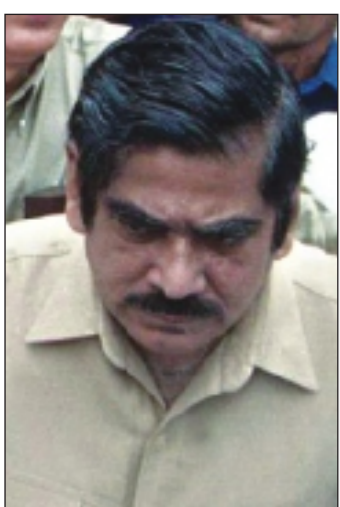
STAFF CORRESPONDENT
Speakers at a protest rally yesterday criticised the prime minister's Parliamentary Affairs Adviser Salauddin Quader Chowdhury for filing a defamation case against two newspaper editors and an opposition leader.
One of them accused Chowdhury of collaborating with the Pakistani army during the Liberation War and said there was nothing wrong with calling him razakar

(collaborator) at the rally organised by the Dhaka City Awami League on Bangabandhu Avenue.
Chowdhury filed the case on June 11 against AL General Secretary Abdul Jalil on charge of making defamatory remarks in a letter to the prime minister and Editor of The Daily Star Mahfuz Anam and Editor of the Prothom Alo Motiur Rahman for publishing reports based on the letter.
The speakers vowed to push ahead with their protest against the

nomination of Chowdhury for the secretary general of the Organisation of Islamic conference (OIC). They said they were ready to welcome anybody but Chowdhury for the post.
The AL presidium member, Abdus Samad Azad, said the nomination of Chowdhury slimmed down Bangladesh's chance of clinching the OIC top office.
The AL will protest the decision not only at home but abroad as well.

SEE PAGE 11 COL 3

Australian PM orders probe into asylum to 'convict' Kazi Zafar



AFF, Sydney
Prime Minister John Howard ordered inquiries yesterday into why Australia has granted asylum to a former Bangladeshi prime minister convicted of stealing from his impoverished people.
The Sydney Morning Herald reported that Kazi Zafar Ahmed, who was sentenced in absentia by a Dhaka court to 15 years jail on corruption charges in November 1999, is now living in Sydney with his family and drawing a disability support pension.
The paper said Ahmed fled to Australia two months before the sentence was handed down.
The Ahmed case is the latest in a series of cases involving immigra

SEE PAGE 11 COL 7

Duty raise on defence items surprises many

M SHAMSUR RAHMAN
In a surprise move, the proposed budget for the fiscal 2003-2004 has raised duty on a raft of defence items of which the government is the sole buyer.
The step will require 15 per cent higher government spending on bombs, grenades torpedoes, mines, missiles and some other arms, ammunition and supplies.
As the government is the lone buyer of the goods, the duty hike will offer higher pots of profit to a small group of 'privileged importers', some said, taking a swipe at the proposals.
The budget, placed by Finance Minister M Saifur Rahman in the Jatiya Sangsad on Thursday, also proposed higher duty on a range of items including essentials.
It suggests tax measures which will see increase in the prices of powdered milk, butter and other fats, cheese and curd, dates, fresh and

dried mangoes, oranges, lemons, grapes, apples, refined coconut oil and sugar.
It will also raise the prices of sweet biscuits, waffles and wafers, soya sauce, tomato ketchup and similar goods, soft drinks, non-alcoholic beer, cigar, cheroots and cigarillo, salt, Portland cement, fly ash, soap noodles, paints and varnish.
Prices of matches, baths, shower baths and basins, particle boards, fibre boards and ply-wood, carpet and floor covering mats, cotton, T-shirt, trousers, sports footwear and rubber will also rise.
Plastic, leather, marble stone, glass mirrors, bicycle chains and parts, sanitarywares, fan and fan parts, air-conditioners, refrigerators, dry cell battery, radio cassette players, colour televisions and two-stroke motor cycles will also go dearer.

SEE PAGE 11 COL 4

'Extortionist' killed in mob beating in Ctg

STAFF CORRESPONDENT, Ctg
An alleged extortionist was killed and three others were injured in mob beating at Chand Mia Munshi Lane under Bakolia police station yesterday morning.
The killed was identified as Jamal Uddin.
On information, police arrived at the scene and rescued the injured, Md Nizam Uddin, Hashem and Jasim. They took them to the Chittagong Medical College Hospital.
Police and witnesses said, a gang of eight miscreants reportedly belonging to Chhatra Shibir entered the shop of one Mosaddeq Hossain and demanded toll.
As Mosaddeq refused to give in to their demand, the miscreants started beating him violently.
Hearing the scream, shop owners and pedestrians rushed to the spot and caught four of the gang. They beat up the four, killing Jamal on the spot and injuring three others.
Mosaddeq filed a case under the Speedy Trial Act.

Businessman gunned down in Hathazari

STAFF CORRESPONDENT, Ctg
A businessman was gunned down by a gang of miscreants at Chowdhury Hat under Hathazari on Thursday night.
The victim was identified as Ajit Talukdar, son of late Mohindra Talukdar of village Fateyabad of the upazila.
Police and local people said a gang of ten came to Ajit's wholesale rice shop at around 10 pm, sprayed bullets on him and left the scene.
Ajit was rushed to the Chittagong Medical College Hospital where the doctors declared him dead.
Sources said local traders blamed the ruling party-backed

criminals, who demanded toll from Ajit a few days back, for the killing.
The local ruling party leaders denied the allegation.
Victim's brother filed a murder case with Hathazari police station.
Local traders staged a demonstration demanding immediate arrest of the killers. They put up a barricade on the Chittagong-Rangamati highway at Chowdhury Hat point, disrupting traffic for three hours from 9 am.
Police rushed to the spot and forced the agitating traders to remove the barricade at noon.
Additional police have been deployed at Chowdhury Hat.



Pakkhi Talukdar, wife of slain businessman Ajit Talukdar, wails at their Hathazari residence. Ajit Talukdar was shot dead by extortionists yesterday morning.

PHOTO: STAR