

Come to CHITTAGONG Come to
BANGKOK THAI RESTAURANT
 The House of Peace & Rest, The Place of High Class.
 We Cordially invite you to try our Beautifully
 prepared and Beautifully presented authentic
THAI CUISINE and **SEAFOOD** in the cosy
 atmosphere of a **LOVELY HOUSE**.
 1443 ASIAN HIGHWAY ROAD, NASIRABAD,
 CHITTAGONG. RSVP CALL TEL: 226803

The Daily Star



Inside Today
International
 Yeltsin gives go-ahead to democratisation in USSR Page 5
Eid Feature
 The regular FEATURE page is devoted to the occasion of Eid-ul-Azha Page 6
Article
 Israel steadfastly refuses to give up any land to Arabs in exchange for peace. Yet a new opinion poll shows nearly half of Israelis do not mind the idea. An Israeli and a Palestinian have set up an independent group to seek solutions to Israel's problems Page 4
Metropolitan
 Becoming a director is the big ambition of Jonquil Moona Saleheen Dopfel Page 3
Business
 Steps to keep foreign trade deficit within tolerable limits Page 8

Two more victims of Ghorasal urea plant explosion die Japanese team arrives, assures all help to resume production

By Staff Correspondent
 Japan will provide all financial and technical assistance to resume production at the Ghorasal Urea Fertilizer Factory. Production at the factory was suspended late Wednesday night following a blast in its ammonia plant, installed by the Japanese Toyo Engineering Corporation recently. Morio Sonoda, Executive Director of Toyo, who flew in here Friday night with seven experts told Industries Secretary Saiful Alam Saturday that his corporation would replace all damaged machinery and repair the plant. Necessary machinery would be brought in and production would be resumed the soonest after thoroughly investigating the causes and consequences of the explosion, he told Saiful Alam at the factory premises. Isao Makino, General Manager of Toyo, is also on the team. Saiful Alam demanded of the Japanese team compensation for the members of the victims' families and help for the injured who might be crippled. In reply, Morio Sonoda said the matter would be considered sympathetically. The Japanese team leader also expressed deep shock at the deaths and damages caused by the explosion. Talking to The Daily Star Saturday night, the Industries Secretary said the Toyo Corporation was keen to repair the exploded ammonia plant within shortest possible time. Repair and resumption of production might take at least
See Page 10 Col. 3



EID RUSH FOR HOME-GOING: An overloaded passenger launch, knowing full well the risk, is sailing off from the Sadarghat terminal to take them to their near and dear-ones at their village homes. —Star photo

Indiscipline in financial sector worries World Bank \$ 75 m farm credit may be suspended

Star Economic Report
 The World Bank may suspend 75 million US dollars farm credit to Bangladesh due to exemption of agricultural credit upto Taka 5000. The BNP government recently exempted agricultural loan upto Taka 5000 to give relief to the small farmers. The Bank is reportedly putting pressure on Bangladesh to enforce discipline in the financial sector to get the 100 million US dollars financial sector reforms credit. The Bank asked Bangladesh to recover overdue loans from the defaulters and to stop payment of bonus on faulty computation of profit. The nationalised commercial banks compute profit calculating interest on unpaid loans.

The World Bank has threatened to withdraw the financial sector loan if the reforms are not expedited. The World Bank has written a letter to the Bangladesh government reminding it of pledges of reforms and cautioning it about the consequences of ignoring the conditionalities. The Bank has expressed its concern over the unproductive expenditure in some public sector enterprises. Special mention has been made about the power sector where the system loss is 42 per cent. The Bank has also stressed the need for reducing subsidy on agricultural inputs. According to the World Bank the farmers need a sufficient supply of inputs and not subsidies. A competent source told the Daily Star that the World Bank letter was delivered to the Bangladesh government on Saturday.

Regarding the 75 million dollars farm loan the World Bank and the Asian Development Bank have taken an identical position. The two banks have warned Bangladesh that unless the government could justify the debt exemption, the banks would suspend the loan in the farm sector. The 75 million dollar loan was committed by the World Bank and the Asian Development Bank to the agricultural and rural development sectors. The World Bank is worried about the indiscipline in the financial sector. The Bank disbursed 75 million dollars out of 175 million financial sector reforms credit last year. The remaining part of the loan amounting to 100 million dollars is being held up due to delay in enforcing discipline in the financial sector especially in the nationalised banks. —Star photo

Khaleda visits Ghorasal, orders best medicare for victims

Prime Minister Begum Khaleda Zia on Saturday directed the concerned authorities to ensure best available medicare to the persons injured in the accident at Ghorasal. —Star photo

Tk 884 cr IDA loan for population control, LPG projects

Bangladesh will receive 247 million US dollars (Tk 884 crore) for two projects from the International Development Association (IDA), the World Bank affiliate that provides concessional loans to least developed countries (LDCs), reports UNB. Agreements to this effect were signed Friday in Washington, according to a message received in Dhaka on Saturday. Bangladesh Ambassador in Washington AHS Ataul Karim and World Bank Director Shijni Asanuma signed on behalf of Government of Bangladesh and the IDA respectively. Of the two projects, the IDA will contribute 180 million US dollars and 10 co-financiers another 225 million dollars to the projects. —Star photo

Rao's first step to bring back Tamils to democracy

NEW DELHI, June 22: India's new Prime Minister PV Narasimha Rao and his ministers, starting work today, recommended that central rule be lifted in southern Tamil Nadu, where former Prime Minister Rajiv Gandhi was assassinated last month, report agencies. President Ramaswamy Venkataraman was expected to issue a decree later lifting President's rule on the state and clearing the way for Tamil Nadu to return to elected democracy, an official spokesman said. New Delhi put Tamil Nadu under central rule in February, saying the Sri Lankan rebel group, the Liberation Tigers of Tamil Eelam (LTTE), operated too freely in the state. Tamil Nadu held state and national polls in India's marathoon elections, the bloodiest ever. The newly-elected Chief Minister, Jayalalitha Jayaram will be sworn into office on Monday. Rao and his new cabinet observed a one minute's silence in Gandhi's honour at the start of their meeting. But the veteran Gandhi loyalist and mild-mannered linguist kept India waiting on the allocation of portfolios in the cabinet. The delay suggested to some in his Congress party that there were struggles going on over key jobs. Rao was due to address the nation later to outline his policies to cope with separatist rebellions, rising religious and social conflict, political fragmentation and a severe debt crisis. Rao also met senior officials in economic ministries and the man who is expected to become his new finance minister, Manmohan Singh, the spokesman said. The meeting discussed broad options open to the government and immediate problems facing it, the spokesman said without giving further details. Punjab governor O P Malhotra offered to quit today in protest against the 11th-hour postponement of elections in the troubled northern state, the Press Trust of India (PTI) reported. Malhotra, a former army chief, made the offer when he met President Ramaswamy —Star photo

Last-minute Eid shopping

By Staff Correspondent
 Normally, major festival shopping for clothes, shoes and other items is made during the Eid-ul-Fitr, thus the sales volume is usually lower during this period. However, an increasing number of shoppers are flocking to the major shopping centres of the city, including Gawsia Market, New Market, Bajitl Mukarram, Mouchak, the Hawkers and Khaddar Markets and the Garments and Shoe Markets at Elephant Road. Many retailers are trying to attract customers by offering grand price-reduction sales. Red price-reduction banners can be seen hanging in front of many shops in the city markets. Shopkeepers pointed out that buyers are showing a little restraint in going for major purchases, perhaps because of the recent devastating cyclone and because of the after effects of the national budget announcement. Footpath stalls selling garments in Gulistan, Baitul Mukarram, Stadium and other places are also doing brisk business. Spice markets in the city are also attracting a steady flow of customers as sales of spices and other grocery items are usually higher during this Eid. —Star photo

Samad Azad meets Shahabuddin over amendment bill

Acting President Justice Shahabuddin Ahmed said in Dhaka on Saturday that necessary recommendation to the proposed Constitution amendment bill would be accorded after the Eid holidays, report BSS. The Acting President said this when Deputy Leader of the Opposition, Abdus Samad Azad, met him at his official residence. The Acting President told Azad the Constitution amendment bill was put up before him by the Law Minister personally on Thursday last. He further said the Finance Minister had assured him of making budgetary provision for the referendum as required by the Constitution for any major amendment to it. During the meeting Azad informed the Acting President that though two months have passed by since he had given notice to move a Constitution amendment bill, it was not tabled in the Sangsad on last Thursday, the Private Members' day.

All CU halls vacated

CHITTAGONG, June 22: All the residential halls of Chittagong University were vacated today, the District Superintendent of Police told BSS. The members of the law enforcing agencies comprising police and BDR asked the students at 10 am to vacate their seats and it was completed. Proctor and Registrar of the University, Provosts of the halls and some teachers of the University were present when the students were vacating their seats.

Defence lawyers met accused over 30 times: AG I'm not being allowed to see Ershad: Haque

Advocate Sirajul Haque, the chief Defence Counsel of deposed President Ershad, said that the second case against Ershad on amassing money and property from beyond his known sources of income was more delicate than the previous one in respect of defending the accused. At a press conference held Saturday at his residence Sirajul Haque said that he —Star photo

Bush tells Gorbachev of talks with Yeltsin

WASHINGTON, June 22: US President George Bush told Soviet President Mikhail Gorbachev by phone on Friday about meeting Russian President Boris Yeltsin and had a "good discussion" on the reform movement in the Soviet Union, the White House said, report agencies. The President noted with pleasure the cooperative nature between Yeltsin and Gorbachev in moving the reform process forward and emphasized to President Gorbachev how important this is to the overall process, said a statement from White House spokesman Marlin Fitzwater. Another spokesman said it was Gorbachev who phoned Bush. Bush gave Yeltsin, Gorbachev's chief political rival, a high-profile Oval Office meeting on Thursday. Yeltsin, welcomed like a visiting head of state, lobbied Congress on Wednesday for closer ties between the United States and the Russian Republic, promising to slash his republic's contribution to the Soviet military. House and Senate leaders held a luncheon for Yeltsin, a populist who has advocated a faster pace for economic and democratic reforms in the Soviet Union. Seated next to Yeltsin at the luncheon was Robert Strauss, the Democratic power broker President George Bush, a Republican, has tapped to be the next US ambassador to Moscow. But in his public remarks, Bush went out his way to praise Gorbachev to signal that the United States would not turn its back on Gorbachev in favour of Yeltsin, elected on June 12 as President of the Russian Republic in Russia's first democratic election in its 1,000-year history. Fitzwater said the two leaders spoke for about 40 minutes and that afterwards "the President stated he had a good discussion centred on the political and economic reforms taking place in the Soviet Union." "President Bush reaffirmed the US commitment to support these reforms since they not only help the Soviet Union but are of benefit to the wider international community," Fitzwater said. He said Gorbachev gave Bush an overview of the situation in the Soviet Union and —Star photo



Eid Greetings
 The Daily Star wishes its readers, patrons and well-wishers a happy Eid-ul-Azha.

Holiday

Offices of The Daily Star will remain closed on June 23, 24 and 25 on account of Eid-ul-Azha. There will, therefore, be no issue of the daily on June 24, 25 and 26. —Managing Editor

Eid-ul-Azha tomorrow

By Staff Correspondent
 Holy Eid-ul-Azha, one of the greatest Muslim religious festivals will be celebrated all over Bangladesh tomorrow (Monday). Devotees will congregate at eidgh maidans and mosques to say the Eid prayer. People irrespective of class or status will fall in rows for the payer and embrace each other to convey 'Eid Mubarak' in keeping with the Islamic ideals of universal equality and brotherhood of mankind. On this occasion people will sacrifice animals to get divine blessings, distribute meat among relatives and the poor. All government and private offices and educational institutions have been closed for the Eid. Government offices are remaining closed from Saturday to Wednesday on account —Star photo

MILO Feeds back lost energy
 An exciting game or a hard day's work takes out a lot of energy from your body. Leaving you tired and exhausted. What you need then is an energy food that puts back all the energy you've lost. That's why people all over the world specially sportsmen take MILO to replenish depleted energy. MILO is a chocolate flavoured, fortified tonic food drink that provides vitamins, calcium, minerals and other energy giving ingredients so essential for the body. Above all you will love its delicious chocolate taste.

NET WEIGHT 100g

NEWS BRIEFS

Milon murder : One being interrogated
By Staff Correspondent
 One, Tarek, a student of Dhaka College, was detained by Dhanmondi police Saturday. Tarek was brought to the police station by Sharafat Ali Shafiq, Vice-President of Dhaka College Students Union on suspicion that he might be involved in the murder of Dr Shamsul Alam Khan Milon during Anti-autocracy movement. When contacted, Dhanmondi police said that Tarek was under their custody and he was being interrogated.

22 injured in Rangpur clash
 RANGPUR, June 22 : At least 22 students were injured in a clash between two rival groups of Chhatra League in the town on Friday night, police and witnesses said, reports UNB.

Karunanidhi resigns
 NEW DELHI, June 22 : Leading Indian Tamil politician Karunanidhi resigned his seat in the Tamil Nadu State assembly Saturday after his party was routed in provincial elections, reports AFP.

Baker in Tirana
 VIENNA, June 22 : US Secretary of State James Baker became the first top US official to visit Albania when he arrived in Tirana today for a one-day visit. The official ATA news agency reported, reports Reuters.

Sikkim rocked
 NEW DELHI, June 22 : A mild earthquake lasting a few seconds rocked the tiny eastern Indian state of Sikkim before dawn today, reports AFP.