

Steps to remove economic mismanagement underscored

Star Economic Report

Former Planning Adviser Prof. Rehman Sobhan Tuesday made an optimistic assessment about the prospects for the economy, given all-out efforts for capacity utilisation of existing productive assets.

In a key-note speech on prospects for the economy organised by Bangladesh Society of Economists at the auditorium of Institute of Cost and Management he said the democratic government should focus its main attention on ensuring maximum returns on investments already made. Without consolidating efforts to ensure efficient and maximum operations of available productive assets, new investments will hardly make any change in the 'atrophied economy of Bangladesh', he added.

President of the Society Dr. Quazi Kholiqzaman was in the chair. Economist Prof. Akhlaqur Rahman was the chief guest.

On the current economic situation in Bangladesh, Prof. Sobhan observed that inefficiency and underutilised capacity of existing productive assets, in both public and private sectors, were the major problems of economic management in Bangladesh.

The economy witnessed a massive wastage of resources in the Eighties. The government made substantial investments in social sectors like education, health, infrastructure and other areas but the returns or output from such investments were poor, he said.

"Public investments are performing not only badly but also dismally. Private investments have stagnated notwithstanding privatisation and other policy moves to encourage the private sector", he observed.

Prof. Sobhan made strong pleas for effective steps to improve overall economic management, and to use available resources and assets with maximum efficiency so that the "cycle of inefficiency and wastage is avoided".

He called for setting up priorities for expenditure in conformity of the objectives for a sustainable development agenda. He stressed the need for mobilisation of more domestic resources through greater efficiency in the use of available resources, cutting out unproductive expenditures, pruning the 'fat' of the aided large development projects and ensuring maximum re-

turns from available productive assets.

The policy reforms taken by the fallen autocratic government, failed to improve the economic situation in the Eighties, he observed. Reasons for this needs to be assessed while efforts are made to improve the overall economic management, he said.

The former adviser felt the development partners must respect the rights of a democratic government to formulate its policies for economic management. The inherited policy agenda of the Eighties under an authoritarian regime should not curb the freedom of policy actions by a democratic government, he observed.

Participating in the discussions, Prof. Akhlaqur Rahman observed the authoritarian regime destroyed all institutions in the Eighties, and corruption under its patronage had become the normal practice. Putting the low-performing economy on right track will now be the most challenging task of the democratic government, he said.

Dr. Kholiqzaman said democratisation of the political system should proceed along with efforts for establishing economic democracy.



British businessman Roger Cooper, jailed in Tehran for over five years for spying, is greeted at London airport Tuesday by daughter Lyian and brother Paul, after being released from Iran Monday. —AFP photo.

Water Centre

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session of the Economic and Social Commission for Asia and the Pacific (ESCAP) now being held in this picturesque capital of Republic of Korea.

Reiterating Bangladesh's long standing demand for the establishment of a Regional Inland Water Transport Centre in Dhaka the minister said several missions have been fielded and expert group meetings held, all of which have supported the idea. The latest study by ESCAP shows that if located in Bangladesh the Centre would be able to fully implement all the regional programmes. The minister, urged the Commission not to further delay a decision on this question.

It is now several years that Bangladesh has been pushing for the establishment of the Centre, which has been opposed by India on the ground of insufficient data justifying the need and feasibility of such a Centre.

The Finance Minister, who has been elected one of the Vice-Chairmen of the conference, at the outset of his statement, referred to return of democracy in Bangladesh after a long absence and sought greater assistance from the international community for his country.

The past corrupt and unrepresentative government had systematically destroyed country's democratic values and institutions with utter disregard for budgetary and fiscal disciplines and institutionalised corruption as a part of its economic mismanagement, he said.

Relentless struggle for democracy for nine years under the leadership of Begum Khaleda Zia has finally resulted

in the establishment of a democratic government through universally recognised free and fair polls. Saifur Rahman said.

Regarding the deep concern of the least developed countries (LDCs) about the prospect of reduced resource flow due to increased aid allocation to Eastern Europe, the minister expressed his firm belief that the present deteriorating situation in most LDCs could be reversed if adequate assistance and support was forth coming.

The debilitating impact of the Gulf War in terms of higher oil prices, falling remittances and disruption of exports necessitated special measures by the international community to assist developing countries, like Bangladesh, to tide over the current crisis. The failure of the Uruguay Round of Negotiations further dismayed the region's developing economies. The minister warned that unless the trade negotiations reached some sort of common understanding protectionism, bilateralism and formation of trade blocks would rise putting the LDCs at a further disadvantage.

Regarding the issue of industrial restructuring — the main subject of the 47th ESCAP session — the minister welcomed the study and the follow-up recommendations stating that Bangladesh was already implementing some of the measures recommended as a part of agreements with multilateral agencies. As to the ESCAP programme of action for '91 Saifur Rahman expressed the hope the developed world would not ignore the genuine needs of the LDCs and that they "would not be distracted by their concerns for other regions."

Transfer of power

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concerned political parties and the problems should be solved in the Parliament session beginning Friday.

The Awami League leaders drew the attention of the Acting President to some news items published in a section of the press that he would tender his resignation to the Speaker of Parliament. They also expressed their concern about its consequence.

Justice Shahabuddin Ahmed advised them and all others concerned to better read the constitutional provisions instead of getting worried at the sensational news published in some sections of the press.

He also expressed the hope that the inaugural ceremony of the new Parliament would be held in a peaceful manner.

Other Awami League leaders who joined the delegation were Abdul Mannan, Zillur Rahman, Abdul Momen and Mohammad Kamruzzaman.

Hasina

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tion, Hasina told her party workers.

She strongly criticised "terrorism unleashed by BNP against Awami League workers" at different parts of the country and demanded of the administration and the concerned quarters to stop terrorist activities.

Expressing concern at the continued price-hike of essentials and deterioration of the law and order, Hasina also called for taking immediate steps to control prices and lessen the sufferings of the people.

Awami League leaders Abdus Samad Azad, Abdul Mannan, Zillur Rahman, Begum Sajeda Chowdhury, Amir Hosain Anu, Tofael Ahmed, Matia Chowdhury and Mozaffar Hosain Paltu were present.

The Midnight File

Sweden rejects India's request

STOCKHOLM, Apr 2 : Sweden's chief public prosecutor today rejected a request from India to help investigate allegations that the Swedish arms company AB Bofors bribed Indian officials to win a 1.3 billion-dollar field-gun order in 1986. Chief prosecutor Torsten Jonsson said help with searches and questioning connected with India's investigations was incompatible with Swedish law, reports Reuter.

Albania's CP bags 162 seats

TIRANA, Apr 2 : Albania's Ruling Communist party secured its election victory today with official results of first round voting giving it 162 seats in the 250 seat parliament. The opposition democratic party won 65 seats in the first round of voting and the ethnic Greek Omonia Organisation won three. One seat was won by a candidate of the communist-linked veterans' committee, reports Reuter.

Yslav army to evict police

PLITVICE, Apr 2 : The Yugoslav army demanded today that Croatian police withdraw from a troubled national park by 1700 GMT or else it would move to evict them. The office of the Yugoslav Presidency said the army demanded authorisation to act because Croatia had rejected orders to pull police out of the Plitvice Park. Serb rebels and Croatian police clashed in the resort in the republic of Croatia Sunday, and two people were killed, reports Reuter.

Sacko made Mali Premier

BAMAKO, Apr 2 : Mali's new administration, formed after the ouster of military ruler Moussa Traore, has given the Prime Minister's job to popular ex-Finance Minister Soumana Sacko, state radio and television announced today. Known as 'The Sheriff' Sacko, an economist who briefly ran the Finance and Trade Ministry in 1987, currently holds a United Nations Development Programme (UNDP) post in Bangui, capital of the Central African Republic, reports AFP.

Leftist violence raises fears

BONN, Apr 2 : The murder of Detlev Rohwedder, the top official entrusted with reviving eastern Germany's economy, has heightened fears of leftist violence in the wake of unification. West Germany's leftist terror group — the Red Army Faction — claimed responsibility for the Monday night assassination of Detlev Rohwedder at his Ducaseldorf home, reports AP.

Sangsad session

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ister, Begum Khaleda Zia, will propose the obituary reference, expected to cover the names of those who were killed in the nine-year autocratic rule of president Ershad.

The Leader of the House will lay all the 44 ordinances which were promulgated since the last session of the 1988 Sangsad. Only three bills are expected to be placed before the House on the opening day.

The bills are : The Supreme Court Judges (Remuneration and Privileges) (Amendment) Bill — 1991, the Panel Code (Amendment) Bill 1991, and the code of Criminal Procedure (Amendment) Bill — 1991.

The BNP Parliamentary Party is likely to name the Speaker tomorrow when it meets at 4 pm at the Committee Room Number One.

Ershad: Oath

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decision of taking oath. However, the police escort of Ershad told The Daily Star he would be taken to parliament today at 9 am for affirmation of his membership.

During the court recess Ershad denied writing any letter to the Awami League president communicating his decision to support the parliamentary form of government. He said if BNP and Awami League brought any bill for changing the form of government Jatiya Party would not have anything to resist.

However Ershad said his party believed in presidential form of government.

According to Jatiya Party sources many MPs would take oath today along with Ershad.

The Jatiya Party in a press release Monday said they would take oath on Tuesday, but did not do so due to some unknown reasons.

Former Vice-President Moudud Ahmed and former Home Minister Major General (ret) Mahmudul Hasan — both elected to the Jatiya Sangsad from jail as Jatiya Party nominees — are also expected to be sworn in today.

Former Prime Minister Kazi Zafar Ahmed, former Communication Minister Anwar Hossain and former Food Minister Sardar Amjad Hossain who were also elected to the Sangsad are, in hiding. It is not known whether they would take their oath today, with warrants of arrest issued against them.

Hearing of writ challenging Wage Board award adjourned

The hearing of the writ petition challenging the implementation of the Wage Board award for journalists and other employees of newspapers and news agencies was adjourned Tuesday in the Division Bench of the High Court Division, reports BSS.

The court comprising Justice Mohammad Abdul Jalil and Justice Kazi Shafuluddin fixed the date for next hearing on May 6 on the prayer of Abdul Wadud Bhuiyan Additional Attorney General.

Khondker Mahbubuddin Ahmed concluded his arguments on behalf of the petitioner, Bangladesh Sangbadpatri Parishad (BSP).

Barrister Akhtar Imam responding on behalf of the respondents, BFWJ, BNPWF and BNEF, made a brief argument to justify the Wage Board award.

Senior advocate Khondker Mahbubuddin Ahmed with Advocate Joyal Abedin appeared for the petitioner, BSP.

Barrister Akhtar Imam with Advocate Sk. Habibul-Alam, Advocate Md. Khalequzzaman and Advocate Mozammel Haque Mehdi appeared for the respondents, Bangladesh Federal Union of Journalists (BFUJ), Bangladesh Newspaper Press Workers Federation (BNPWF) and Bangladesh Newspaper Employees Federation (BNEF).

Mr. Abdul Wadud Bhuiyan, Additional Attorney General with Syed Modasser Hossain, Deputy Attorney General appeared for the Secretary, Ministry of Information.

Faridpur DC, SP call them traitors

From Our Correspondent

FARIDPUR, Apr 2 : Jatiyatadabi Chhatra Dal (JCD) at a rally held at the Janata Bank square have today demanded immediate removal of the District Commissioner and the Police Superintendent.

The demand was raised after the DC and the SP at an 'iftar' party arranged by the Islamic Foundation on March 30 had reportedly said those who do not acknowledge the historic value of the March 7 speech of Sheikh Mujibur Rahman are traitors.

Speakers at the rally alleged that after their takeover as DC and SP, smuggled Indian goods have flooded the local markets and law and order situation has deteriorated.

The meeting was presided over by the Vice-President (VP) of Rajendra University College Students Union and president of district JCD Rezau Karim. It was also addressed by Salahuddin, Jewel, Pro-VP and Afzal Hossain Khan, general secretary.

US eager to invest : Milam

The US Ambassador William

Milam said the United States was eager to invest in the fields of agriculture and industries in Bangladesh, reports BSS.

He also mentioned the possibility of initiating joint venture projects.

The US Ambassador said this when he called on Agriculture, Irrigation, Water Development and Flood Control Minister Majid-ul-Huq at his office.

Mr. Majid informed the US Ambassador about the agricultural development. He also expressed the hope that the US help and assistance would increase in future. He thanked the US government for providing help in the flood control.

The US Ambassador also called on the Industries Minister Shamsul Islam Khan.

They discussed bilateral relations and matters of common interest.

The Industries Minister expressed the hope that garments would get priority entrance in the US.

Mr. Milam stressed the importance of the role of industrial sector in the development of Bangladesh.

Sirajganj godown looted : 4 held

SIRAJGANJ, Apr 2 : Relief goods were looted from a godown in the Deputy Commissioner Office premises early Monday night, police said, reports UNB.

Miscarants, according to police, broke the district relief godown grills at 10 pm and took away the goods including sugar and corrugated iron sheets.

Police, immediate after the dacoity, launched a hunt and recovered five bags of sugar in a raid on a house at nearby village Diardhangara at around 1 am.

Four people were taken to custody from the house. They are Hanu Mian, Ferdous, Tara Mian and Bablu.

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Certificate cases

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The rules suggest that any overdue loan exceeding the time limit of three years should be put with the cases for disposal.

Some banking experts put forward a suggestion to the Task Force on banking to extend this time limit for upto eight years so that the loans do not turn into bad debt.

The Task Force has recommended that the extension be made for upto five years. Banking circles said that if loans are not time-barred, banks have the right to claim the loans throughout the period.

The speedy disposal of certificate cases is being delayed as no banks could engage certificate officers to settle the cases.

Local Magistrates are given additional responsibilities to settle these cases.

Since a magistrate is burdened with too many tasks and duties, disposal of certificate cases is delayed. In some incidents cases have remained pending for the last 10 to 12 years in the courts.

A partial statistics says that the Nationalised Commercial Banks have overdue loans amounting to Tk. 250 crore till January, 1991. Out of this figure, certificate cases involving Tk. 14.67 crore have been started. The banks are Sonali, Janata, Agrani, Rupali, Pubali and Uttara.

Out of the NCBs, the situation in Sonali Bank is not encouraging. It has Tk. 141.49 crore as overdue loans in agricultural sector. Loans amounting to Tk. 67.91 crore have crossed the three-year limit and certificate cases against

ESCAP meet

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to the establishment of a regional water transport centre which had been in the agenda of the Commission for a very long time. Several missions were mounted and expert groups met, which supported establishment of the proposed centre in Bangladesh, Rahman pointed out.

He expressed Bangladesh's readiness to fulfil its obligations as the host country and said the latest study showed that the centre, if located in Bangladesh would be fully able to implement its objectives.

"Therefore, I should have thought that my country is the logical choice for location of the centre", the Minister said.

Turning to the international economic scenario, Rahman painted a dismal picture for the developing and more particularly the least developed countries and called for urgent international actions to alleviate their sufferings.

He particularly voiced concern for possible reduction of external assistance to the developing economies because it was difficult to assume how increased allocation of aid to eastern Europe would not affect aid for the ESCAP region.

It was the obligation of the donor nations and multilateral agencies to see that actions were aimed at providing stimulation to such economies, the Minister said.

loans amounting to Tk. 5.79 crore have been started.

This was followed by Janata Bank and Agrani Bank. Janata Bank has Tk. 47.26 crore overdue loans, Tk. 18.68 crore loans have exceeded the three-year time frame and certificate cases against loans involving Tk. 5.12 crore have been instituted. An almost identical situation is prevailing in Agrani Bank too.

Banking experts say political decisions always influence the liquidity situation of the bank, especially the NCBs. The fallen regime exempted interest on Tk. 5000 farm loans. The interest exemption amounted to Tk. 396 crore for the banks.

The highest interest exemption on farm loans was borne by Sonali Bank which was Tk. 109 crore followed by BKB's Tk. 108 crore till December, 1990.

The exemption of interest on agricultural loans on political considerations prompted the Janata, Agrani, Bangladesh Samabaya Bank, Pubali, Rupali, Uttara and Rajshahi Krishi Unnayan Banks (RKUB) to exempt Tk. 42, 32, 34, 21, 13, 4 and 3 crore respectively.

Bank sources said if the government goes for further exemptions, most of the banks, especially the NCBs, will be facing a severe liquidity crisis. This will involve a huge amount of money and this is anybody's guess how far the government will be able to support their capital financing.

The government has also taken steps to release bonds worth Tk. 1700 crore as capital financing to the ailing nationalised sector banks.

This amount will support the earlier capital shortage of the banks.

The new exemptions will call for additional support together with, drastic improvement in the loan recovery situation, banking experts said.

Diarrhoea

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Among the dead the number of children and women is higher. One person died on Sunday while 94 more were affected on Tuesday.

The Civil Surgeon informed a total of 117 medical teams have been working in the three effected upazilas.

Meanwhile, in Noakhali the Civil Surgeon confirmed 11 deaths in six upazilas of the district.

The situation in Chatkhil upazila is grave, he said adding that the disease is sporadic elsewhere in the district.

Fifty more persons were affected Tuesday and the situation is improving after a light rain in the district on Monday.

The officials of Bhola, Pirojpur and Barisal confirmed the death figure as eight, six and five respectively. The situation in these districts were improving, the officials said.

Our Staff Correspondent from Khulna reports that diarrhoeas has claimed atleast eleven lives in and around Khulna city during last fortnight. More than 300 persons were affected by the disease and were admitted to the ID Hospital and the Shishu Hospital of the city.

Health and Family Welfare Minister Chowdhury Kamal Ibn Yusuf told the Daily Star that necessary measures had been taken to check the situation and it was almost under control.

He said it is a regular phenomenon in the area during this season.

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The cross-examination of OC Nurul Alam was conducted by Advocate Sirajul Haque, who made his first appearance before the Tribunal yesterday to defend Ershad.

It was evident from Sirajul Haque's cross-examination of the witness that he was trying to emphasise and prove that the belongings recovered from the residence of the deposed President were actually State assets and not his client's (Ershad's) personal belongings.

During the cross-examination, OC Nurul Alam said that the FIR had been lodged by the DC North (Police) and that he had no written order to arrest Ershad on December 12 when he went to the Sena Bhavan as a member of a committee headed by Colonel Sheikh Abdur Rahman.

Following are excerpts from the cross-examination of OC Nurul Alam by Advocate Sirajul Haque :

Sirajul Haque : Do you have any allegation against my client?

O.C. : No I don't have any personal allegation.

S.H. : Who lodged the FIR?

O.C. : DC North of Dhaka Metropolitan Police.

S.H. : Do you have any objection about the FIR or will you say something about the FIR?

O.C. : I will not say anything about the FIR. DC North will tell you about it.

S.H. : Who is the owner of Sena Bhavan?

O.C. : Government is the owner of Sena Bhavan. The ex-President used to live there as President.

S.H. : When did you first visit the Sena Bhavan?

O.C. : On December 12 when the house was left by the ex-President. I went there as a member of a committee to lock and seal the house.

S.H. : Where did you take Ershad from there?

O.C. : We took Ershad from there to a house in Gulshan.

S.H. : Did you arrest him?

O.C. : There was no written order for his arrest.

S.H. : Was there any representative from Ershad's family present?

O.C. : One representative was present on December 13 but not on the day of locking and sealing of the house.

Ershad's arms case

S.H. : What were the things taken along with Ershad?

O.C. : Clothes of Mr. and Mrs. Ershad.

S.H. : How were the belongings of Ershad taken?

O.C. : I do not remember.

S.H. : Did you give any statement under section 161 on the 9th of January?

O.C. : Yes, before a second committee which was formed to revise the locking and sealing of Ershad's residence.

S.H. : Do you have any complaint against Ershad?

O.C. : No.

After asking some other questions Defence Counsel Sirajul Haque suddenly blasted the witness saying you are not a witness. You are a fake witness. You don't know anything. You have no document of any allegation. You can go.

Chief Metropolitan Magistrate Azizul Haque Bhuiyan was then produced as the second prosecution witness.

He was first examined by the Attorney General, and he systematically responded to the questions. The CMM had headed a committee set up for preparing an inventory of the items recovered from Ershad's house.

He said that Ershad's brother-in-law Mostafizur Rahman was also included as a representative of Ershad in the Committee.

The committee started functioning from December 19, 1990 and had its first meeting at the conference room of Log Area Commander Brigadier Mufizur Rahman.

On a query of the Attorney General he said that they found the Sena Bhavan under seal and lock when they went to make the inventory.

Mostafizur Rahman, Ershad's brother-in-law, was also present.

He said that the inventory was completed on December 26 and an unofficial note was sent to the Home Ministry on December 29.

Azizul Haque Bhuiyan firmly said that the committee recovered eight firearms on December 22, of which four were unlicensed.

However, Mostafizur Rahman produced the license of four other arms which were deposited at the Cantonment Thana.

Some of the arms were re-

covered from a glass house in the Sena Bhavan.

The rest of the arms were recovered from a trunk in the Sena Bhavan.

Of the eight unlicensed arms three were double-barrel guns and five were pistols made of gold.

When asked to do so the CMM produced the recovered arms before the Tribunal.

After a recess for about an hour the Tribunal resumed at 2 p.m.

The Defence Counsel then started cross-examination of the Chief Metropolitan Magistrate.

Sirajul Haque : (Turning to Ershad) Do you know him (pointing to witness).

Ershad replied from the dock "I gave him a job".

Sirajul Haque then continued the cross-examination.