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# The Daily Star

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**Conversation with Finance Minister M Saifur Rahman on wide ranging issues facing the economy of Bangladesh**

## NEWS BRIEFS

### Khaleda addresses nation today

Prime Minister Begum Khaleda Zia will address the nation over radio and television today at 7-30 pm on the occasion of World Environment Day and the Earth Summit, reports BSS.

### Heat wave claims woman

PABNA, June 3: A woman worker at a local rice mill died of heat wave that is sweeping over the country for the last two days. Asiya Khatun (32), a worker of the Khondaker Rice Mill of BSCIC, fell unconscious during work and was rushed to the hospital where she died soon after, reports UNB.

### Man of the year

The International Biographical Centre (IBC) of Cambridge, England, has selected Dr Ekramul Ahsan, Director, Institute of Post Graduate Studies in Agriculture as international man of the year 1991-92. UNB.

### PSF renamed

The President's Security Force, formed in 1986 for ensuring overall security of the head of state, has been renamed Special Security Force (SSF), reports UNB.

## Indian army raiding Bodo hideouts inside Bhutan

GAUTHATI (India), June 3: Indian army units have started operations against hideouts of tribal militants in southeastern Bhutan, across the border from the northeast Indian state of Assam, an official spokesman said today, reports Reuter.

A spokesman for the Assam government said that New Delhi had received permission for the raids from the Government of Bhutan, an eastern Himalayan nation with population of some 1.4 million.

"Due to possible international complications the Indian army will not set up bases inside Bhutan. It will operate from its bases along the borders of Assam and Bhutan," he said.

A General connected with 'Operation Tiger' said it had

begun on Tuesday against the Bodo Security Force (BSF).

"Our operations are aimed at destroying the Bodo militant bases in that part of Bhutan," the General told Reuters.

The Bodos have been fighting since 1987 for their own state within India, complaining that the Assamese majority exploits them.

The General, who asked not to be identified, said BSF militants had five or six bases in the Bhairabkunda and Samungkhongka areas of Bhutan, close to the Assam border.

"From these bases, Bodo militants regularly attack targets inside Assam and so we had to do something about it," he said.

The Indian army is sending long-range patrols into the

southern Bhutan areas where the militants have bases. Backing them up the 'quick reaction teams' of 15-18 soldiers, ready to be deployed at short notice, the General said.

The teams have already hit two militant bases killing four militants and injuring several others, he said.

The patrols are to dominate the area and the quick reaction teams are meant for specific operations. Both may support each other," he added.

New Delhi had complained to the Bhutan Government about the BSF bases there, saying the militants used them to train and shelter members who regularly attack tea plantations, security forces and political rivals inside Assam, officials said.

The General said the Indian army moved against the Bodo militants under a similar agreement with Bhutan for a brief spell last November, but most of them fled deeper into Bhutan.

"We got a lemon, nothing more," the General said, disclosing the 'Hot Pursuit' operations for the first time.

"But this time things will be different. We have much more information and we hope to have better coordination with the Bhutanese forces," he said.

The government in New Delhi and the Assam state government are holding talks with the moderate Bodo factions, but the BSF is determined not to settle for anything short of a separate Bodo state.

## Rio summit opens Time to find new ways to use earth: Ghali

RIO DE JANEIRO, June 3: The Earth Summit opened today with a keynote address from UN Secretary General Boutros Boutros-Ghali to delegations from the 178 member countries, reports AFP.

The UN chief said that mankind had evolved from an era of conquering nature and that it was time to find new ways to use the planet for future generations.

An estimated 30,000 will attend the 12-day UN conference on environment and development which will be held 25 kilometer (15 miles) west of Rio de Janeiro.

Other keynote speakers

were to include conference general secretary Maurice Strong of Canada, King Carl XVI Gustaf of Sweden, Prime Minister Gro Harlem Brundtland of Norway and President Mario Soares of Portugal.

Negotiators will address seven critical issues: global warming, technology transfer, ocean pollution, forest protection, population control, the preservation of species and environmentally safe development.

The summit at the Rio-centro convention center on the city's southern edge began a day after environmentalists

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## Dhaka to put forward some proposals in Rio summit

Bangladesh is expected to put forward several proposals at the Earth Summit in the Rio de Janeiro, aimed at protecting the environmental interests of the development countries, reports BSS.

Dhaka will voice concern at the continued environmental degradation resulting in the colossal damage to the globe, more particularly to the developing and least developed countries.

Foreign Minister A S M Mustafizur Rahman leaves here today to lead the Bangladesh delegation at the summit, billed as the largest gathering of the world leaders.

Abdullah Al Noman, Minister for Environment and Forest, and some other mem-

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## BTC workers continue strike

By Staff Correspondent

The workers of Bangladesh Tobacco Company Ltd (BTC) continued their strike for the third consecutive day Wednesday after the closure of the factory.

The collective bargaining agents (CBA) of the factory held another round of talks with the management to defuse the crisis. However, sources said the striking workers of the primary manufacturing department (PMD) did not join the talks.

The closure of the factory costs the government Taka 1.75 crore a day in terms of loss of excise duty paid by the company. On the other hand, BTC also loses Taka 75 lakh each day as sales proceed after tax.

The prices of BTC brand cigarettes remained as high as yesterday's price. Traders said there was a shortage of BTC cigarettes in the market.

BTC sources said the company was now rationing sale of cigarettes from its stock to discourage any hoarding by the traders.

## Resist elements out to foil uplift process : PM

ACHHRANGA (Jaipurhat), June 3: Prime Minister Begum Zia has called upon all to resist the quarters which want to mislead and create division to jeopardise the development, reports BSS.

She was addressing a big public meeting here today organised on the occasion of the Achhranga re-excavation project under which a 25.50 acre pond had been re-excavated.

The Prime Minister urged the people to be vocal against the elements who want to destroy the uplift process.

The country could become an exporting nation with the successful implementation of the development programmes through the participation and cooperation of the people, the Prime Minister added.

She said: "We have to maintain good relations among ourselves to carry forward the nation towards the desired goals of reliance and prosperity at a faster pace."

The Prime Minister said her government wanted to make every individual of the country self-reliant through planned development programmes.

She said, "The government was encouraging rapid industrialisation side by side improving the agriculture sector."

The Prime Minister said the government would encourage setting up small and cottage industries in the villages to strengthen the rural economy. In this connection, she said raising cattle and poultry could save huge amount of foreign currency spent every year in the sector.

Referring to the development of the women community, the Prime Minister said: "We have to realise the truth that women are the half of the population and no uplift efforts could become successful without their participation."

Begum Zia said in the poli-

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## KAFCO threatens liquidation

By Toufique Imrose Khalidi

The controversial Karnaphuli Fertilizer Company (KAFCO) project has hit another snag as its chief executive has gone to the extent of suggesting that the company be liquidated.

The frustration has stemmed from financial problems especially the failure to settle dispute between the company and the general contractor over cost overrun caused by suspension of construction work since October last year.

The government's refusal to give guarantee for the entire amount of export credit led to the work stoppage.

After a months-long uncer-

tainty, the government 'reluctantly' agreed to issue the letter of guarantee (LG) on March 9, giving in to pressures from within and outside.

The construction work is yet to resume although the KAFCO received 'duly signed' LG in early April and subsequently expressed optimism about a 'rapid resumption'.

The company and the general contractor, Chiyoda Corporation of Japan, are locked in 'intense negotiations' over the issue and there is still a considerable gap between what KAFCO thinks should be the real costs for the suspension

and resumption of work and what Chiyoda is requesting to pay," said Managing Director Tore Feuk in a recent letter to Board of Directors.

Chiyoda has asked for a compensation of 40 million US dollars but KAFCO insists the figure should not exceed 27 million.

As for the target amount, Chiyoda's offer is US\$33.5 million while that of KAFCO is US\$21 million.

Another reason behind the financial crisis is the non-availability of Romanian credit due to the country's internal crisis.

According to KAFCO man-

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## BCCI may be refloated as Eastern Bank Ltd

By Inam Ahmed and Sohail Manzur

Bank of Credit and Commerce International (BCCI) will be refloated as a new bank by August 12 after clearance from the World Liquidator in London, according to sources close to the Bangladesh Bank and the BCCI.

The refloated bank may be named Eastern Bank Limited.

The World Liquidator has already reviewed the BCCI situation and expressed satisfaction. Finance Ministry sources said, however, clearance on some issues is yet to come.

The authorities will have to take a decision on the bank by August 12 as the one-year moratorium period of the BCCI ends on the date. Government will have to formulate new laws for further extension of the period.

According to the existing law the government can suspend the operation of a particular bank for six months and it can be extended by another six months if required.

A convening committee of the BCCI cell has already been formed to see that the refloating process goes smoothly.

Bank sources hinted that it would have a new name. The reorganisation scheme of the bank mentioned the name of the bank as Eastern Bank

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## Working body resolutions

## Govt turning JS ineffective: AL

Awami League Central Working Committee (ALCWC) has blasted the government for its 'failure' to solve the socio-economic problems, saying that it tries to rule the country in 'autocratic style making the parliament ineffective', reports UNB.

The ruling party, ignoring the elected parliament, enhanced rates of public utility services, including gas and

railway, by executive order before the announcement of national budget, a resolution of the ALCWC said. "This step is sheer political dishonesty on the part of an elected government."

A nine-point resolution on the country's political and socio-economic situation was adopted at the ALCWC meeting which ended Tuesday after five

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## HC stays hearing of case against trial body members

By Staff Correspondent

A High Court division bench of the Supreme Court Wednesday stayed hearing of the case against the 24 organisers of the people's court which tried the controversial Jamaat chief, Golam Azam.

The one-member bench, Justice Ismailuddin Sarker, passed the stay order following the filing of a petition by the defence lawyers to quash the case pending in the court of the Additional District Sessions Judge.

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## Private sector investments down

By Staff Correspondent

Despite incentives and policy reforms, private sector investment in the country has fallen from 1986 to 1990, according to the Manila based Asian Development Bank (ADB).

The ADB figures, incorporated in the just published Asian Development Outlook (ADO), 1992, say that during the period under review private sector investment as average share of total investments stood at 21 per cent against 29 per cent in the public sector.

For the period from 1975 to 1980, the private sector investments contributed to 45

per cent and the rest came from the public sector, while for the period from 1981 to 1985 the private sector contributed 55 per cent of the total investments, according to the report.

The report further says that from 1985 to 1990 there was only a 10-million US dollar direct foreign investment in the country, whereas in 1985 and 1989 there was no foreign investment at all.

Commenting on the public-private investment mix, the report says "In Bangladesh, investment ratios are very low and half of the capital forma-

tion originates in the public sector."

Commenting on the poor investments by the private sector, Professor Abdullah Faruk, chairman, Bangladesh Shipa Rin Sangstha, told The Daily Star that with the freedom for privatisation in the competition became stiff. As a result, those who applied earlier lost interest in investing during the period 1986 to 1990. "It was a period of bad economy."

Explaining further Prof Faruk said that there could be two types of growth, export led growth or internal demand

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## Bill Clinton clinches Democratic nomination

LOS ANGELES, June 3: Bill Clinton clinched the Democratic presidential nomination on Tuesday but polls taken during the final six primaries showed Republicans and Democrats prepared to desert their parties in droves for Texas billionaire Ross Perot, reports Reuter.

Perot, who has no political party, not a day's experience in office and who entered no primaries, cast a long shadow over the November 3 presidential election as voters expressed disgust with the established parties and their

standard-bearers.

In television network exit polls conducted in the six states that wrapped up the five-month-long presidential primary campaign, between 28 and 46 per cent of voters said they would vote for Perot for president rather than President George Bush or Clinton.

Clinton, the governor of Arkansas, won five of the six primaries and was locked in a tight, too-close-to-call battle with former California governor Jerry Brown for victory in the California primary, the

days' biggest contest.

Bush, who a month ago won enough delegates to be renominated, took all six Republican primaries, Perot is expected to announce his independent candidacy later this month.

In a three-day race, Perot could deny both Bush and Clinton a majority in the electoral college, which formally selects the president, throwing the choice to the House of Representatives for only the third time in American history.

Perot contended on Tuesday that there was no cause for

alarm if the elections went to the house. He said that if the house decides the election, 'that's not a constitutional crisis. There are provisions for it (in the constitution). I don't think it's worth worrying about because the members of the house are very responsible people.'

In Tuesday's primaries, Clinton and Bush easily won in Ohio, New Jersey, Alabama and New Mexico.

Bush also won in California, the nation's most populous state and a key ingredient in any winning recipe for the

White House. Clinton was leading Brown in early returns in the state but the race was too close to call.

"The party's over. We're in for a change. We want our country back," Clinton told backers in Los Angeles as he thanked them for helping him win the nomination.

Tuesday should have been a day to celebrate for Clinton, who for months had found himself under constant scrutiny due to questions over sex life and his avoidance of military service during the Vietnam War.

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বন অধিদপ্তর

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