

Come to CHITTAGONG Come to
BANGKOK THAI RESTAURANT
 The only place for ORIGINAL THAI FOOD & SEAFOOD
 in CHITTAGONG (NO BRANCH). Please try us and you
 will love BANGKOK THAI RESTAURANT more than
 ever before.
 1443 ASIAN HIGHWAY OPPOSITE Y.M.C.A. NASIRABAD.
 CHITTAGONG. TEL: 226603. Fax: (880) (31) - 223238

The Daily Star

FOR INTERNATIONAL EXPRESS
 SAMPLE SHIPMENTS
 CALL
 232224, 237784
 238145, 238217
 236653, 252432
 BANGLADESH EXPRESS CO. LTD.
 25 MOTUHEL C.A. DHAKA

VOL. II NO. 183 REGD. NO. DA 781

SHRABAN 12, 1399 BS,

DHAKA MONDAY, JULY 27, 1992

MOHARRAM 25, 1413 HIJRI

12 PAGES: PRICE TAKA 4.00

Inside Today

Article

**Regionalism and
 Global Interdepend-
 ence: Future
 of SAARC**
 Page 4

International



**Rao govt grilled over
 bank scandal**
 Page 5

Business

**Jute minister urges
 scientists to work on
 diversified use of the
 golden fibre**
 Page 7

Metropolitan

Dhaka Day by Day



**Shoe Market with a
 Difference**
 Page 3

Announcement

In view of certain lapses in our earlier distribution, we are happy to reprint our Olympic Special Supplement and distribute it in the following areas of Dhaka city:

- 1) Balaka Centre
- 2) Tejgaon Centre
- 3) Cantonment Centre
- 4) Bangla Motor Centre
- 5) Rajarbag Centre

Besides, this issue will be distributed to all outstation centres through our Agents, except Chittagong which has been covered on July 25.

We apologize to our readers who did not get the supplement on the first day and would like to thank them for their continued support to The Daily Star.

NEWS BRIEFS

Erosion hits 327 families

SIRAJGANJ, July 26: A young boy was washed away and 327 families of 8 villages of sadar and Kazipur thanas of the district were made homeless due to the continued erosion by river Jamuna during the past 48 hours. Azgar Ali (11) of Manikda village fell down in the river as it suddenly eroded its bank, reports UNB.

DESA snaps 3457 lines

Dhaka Electric Supply Authority (DESA) in drives against defaulters and through electricity courts has disconnected 3457 power lines of different category of consumers from July 1 to July 25, according to an official hand-out. During this period a total of Taka 23.51 crore arrear electricity bill has been realised, reports BSS.

Tk 12 lakh gold seized

By Staff Correspondent
 Customs officials seized 180 tolas of gold bars worth about Taka 12 lakh from the toilet of a Bangladesh Biman flight at Zia International Airport (ZIA) in the city at 1:30 pm Sunday.
 On a secret information, customs officials rushed to the aircraft, BG-070, which was about to fly for Bangkok and found 18 gold-bars each weighing 10 tolas hidden in the toilet.

Saifur winds up 40-day discussion on proposed budget

Tk 29 crore tax cut

By Staff Correspondent

Finance Minister M Saifur Rahman yesterday announced the decision to revise new taxes on certain consumer and industrial items that would cost the national exchequer a loss of Tk 29 crore per annum. It would be a 20.7 per cent cut in new taxes of the Tk 140 crore proposed earlier.

The items include different life-saving drugs, cotton yarn, electric meter parts, all types of agricultural seeds, seasoned oats, lens for spectacles, plaster of Paris, imported wheat, neutral glass, aluminium rod conductor, fused unit of electricity.

Of these, import of all types of agricultural seeds and wheat would be completely duty-free.

The Minister further said that pre-shipment inspection of garments raw materials had been suspended, and advance income tax at the rate of half per cent instead of one per cent would be deducted from export proceeds. Moreover, cottage industries having an annual turn over of Taka 15 lakh would come under the VAT system. Earlier, the ceiling was fixed at Taka 12 lakh.

Winding up the 40-day general discussion on the proposed budget for the current financial year Saifur told Parliament that the deficit would be recovered by expanding the VAT base.

If this could not be done by December, either the expenditure would have to be har-

monised or an improved administrative mechanism worked out, he added.

The Minister also assured the House that anomalies in tariffs would be removed and reminded the members that tariff value had nothing to do with the tariff structure.

Amidst applause from all members of the House, barring the Jatiya Party ones except Maudud Ahmed, the Finance Minister concluded his about two-and-a-half-hour speech with a passionate appeal that 'We should look forward to history.'

Reiterating his appeal for a national consensus made in the budget speech, Saifur said that this was a golden opportunity to come to an under-

standing and added 'If the economy was strengthened democracy would be consolidated. In theory we are together but not in practice. Today, we should think of how to bring in efficiency, increase savings and improve the quality of investment.'

Wearing a grey suit and a red tie and with the galleries spilling over with visitors, the Finance Minister started his speech at 5.35 pm regretting the absence of the Opposition in the House when he made the budget speech June 18.

The Minister observed that it was a difficult task for a Finance Minister of a resource-scarce, densely populated poor country to prepare a budget.

See Page 12 Col 1

50 including 10 cops injured

Triangular gunbattle in Adamjee colony

From Our Correspondent

NARAYANGANJ, July 26: At least 50 persons including three school boys and 10 policemen were injured, violent clashes between rival groups of workers again rocked the Adamjee Jute Mills area today.

Shiddhirganj police arrested five persons in this connection and recovered a 22 bore rifle from them. They were all shifted to Narayanganj thana.

Witnesses said, gun-toting workers belonging to the Jatiya Party (JP)-backed Siddique Sardar group and the BNP-backed Khair group clashed to take control of one of the workers colonies, Dhaka

Baju Colony. Hundreds of shots were fired and as many crackers exploded during the clash that lasted for over five hours and soon spread outside the mills premises, the witnesses added.

The Narayanganj-Demra highway remained closed to all traffic during the entire period.

Police used numerous shot-gun rounds and tear-gas shells to bring the situation under control. Police and BDR continued to patrol the area.

However, residents said that sporadic gunfire and cracker explosions could be

heard in the area late into the evening. The situation has remained extremely tense in the area and residents were fearing a fresh flare-up at any movement.

According to the witnesses, at around 10 am a group armed with guns, knives and other weapons led by Siddique Sardar, President of the Adamjee unit of the Jatiya Sramik Party, attacked the Dhaka Baju Colony.

When they tried to enter the area the occupants of the colony led by Abul Khair Khawza, President of the Jatiyatabadi Sramik Dal unit at

See Page 12 Col 1

Mustafiz goes to Paris today

By Staff Correspondent

Foreign Minister A S M Mustafizur Rahman will be visiting France and Spain for six days at the invitation of his counterparts in the two European nations. Rahman leaves for Paris today.

Official sources said that the Foreign Minister's July 28 to August 2 trip to the two countries was aimed at discussing bilateral relations in view of the developments in the region characterised by European unification by the end of 1992.

Rahman's visit to Paris, the first high-level bilateral trip since the election of the present government, would provide an opportunity for a review of the relations that had gained momentum during the Ershad days. General Ershad went to the French capital more than once and French President Francois Mitterrand

See Page 12 Col 6



South Korean marksman Kab Soon Yeo smiles after she was awarded the Olympic gold medal in the air rifle category setting a new Olympic record yesterday.

South Korean girl bags first gold

BARCELONA, July 26: Germany cyclod to its first medal since reunification, Cuba rejoined the Olympic fold with a baseball rout and swimming records tumbled Sunday as the most universal Summer Games ever started in earnest.

An 18-year-old South Korean, Yeo Kab-soon, became the first gold medalist at the 25th Olympiad, winning the women's air rifle competition.

The Unified Team, seeking to continue the Olympic winning ways of the former Soviet Union, gained its first gold on the free pistol shooting of Konstantine Loukachik, who was one point better than silver medalist Wang Yifu of China and Ragnar Skanaker of Sweden.

The morning after a lavish opening ceremony, Yeo, Loukachik and more than 10,000 other athletes plunged

See Page 12 Col 3



Y'slav mission in Dhaka closed down

By Staff Correspondent

The diplomatic mission of the trouble-torn, truncated East European state of Yugoslavia in Dhaka has been closed down.

Dhaka officials said the mission was shut down last month because of the country's inability to run 'a big mission' due to financial constraints.

Earlier in May, Dhaka conveyed its decision to close down its mission in Belgrade, protesting the latter's atrocities in the Muslim-majority breakaway republic of Bosnia-Herzegovina.

A senior Foreign Ministry official said yesterday that the process of winding up the Belgrade mission was yet to be completed, and an official was still there for that purpose.

Dhaka has recognised Bosnia-Herzegovina as an independent state, along with other breakaway republics of former Yugoslavia.

Japanese poll: LDP sweeping to victory

TOKYO, July 26: Prime Minister Kijichi Miyazawa's Liberal Democratic Party was sweeping to victory Sunday in a nationwide parliamentary election notable for a record low turnout, according to exit polls, reports AP.

Despite a faltering economy and a controversial new law to send troops abroad for the first time since World War II, voters stayed away en masse from the election for 127 of 252 seats in Parliament's upper house.

Only 44 per cent of Japan's 93.7 million eligible voters had cast a ballot by 5:30 pm (0830 GMT), a half hour before polling ended, the government reported. The public Japan Broadcasting Corp. predicted total turnout would be 48 per cent, down from the previous low of 57 per cent set in 1983.

Substantive official results were not expected until later Sunday and early Monday.



Two processions — one of textile mill owners' demanding to save the industries from ruination (top) and another one of garments workers in support of their demands (bottom) brought out in the city yesterday.

Textile mills owners want cotton import duty abolished

By Staff Correspondent

Bangladesh Specialised Textile Mills and Power Loom Industries Association Sunday demanded immediate fiscal measures and other facilities to revamp the sector to get it out of its present state.

The demand came in the form of a memorandum by the association to the Prime Minister.

The Association said that to make the local textile industries competitive with smuggled fabrics, import duty on raw cotton should be fixed at the zero level while it should be 10 per cent on import of yarn. It also proposed withdrawal of VAT from these items.

According to the Association figures, about 40 crore meters of cloth worth Taka 1400 crore were being smuggled into the country.

The Association also demanded abolition of excise duty on local yarn and fabrics and proposed lowering the interest rate on project loan to five per cent and working capital to eight per cent.

Earlier in the morning the Association held a rally in front of the National Press Club, joined by students of the Textile Engineering College and

See Page 12 Col 7

Baker urges ASEAN Deplore persecution of Rohingyas

By Staff Correspondent

MANILA, July 26: US Secretary of State James Baker today called for attention to the tragic plight of more than 2,70,000 Rohingya Muslim refugees driven from their homes into Bangladesh, reports Reuter.

Baker urged the Association of Southeast Asian Nations (ASEAN) to send a 'loud and clear' message to Myanmar about what he called its deplorable human rights record.

Association members have in general been reluctant to speak out about Yangon's record, preferring what they call a policy of constructive engagement.

The US Secretary of State promised Southeast Asian allies that the United States would remain a pacific power.

In a speech to Foreign Ministers of the economic and diplomatic alliance, set up in 1967 partly in response to communist expansion in the region, Baker sought to calm fears that the end of the cold war would mean a diminished American role in the area.

He acknowledged that the US withdrawal from Subic Bay naval base in the Philippines by year-end means there will no longer be permanent American bases in Southeast Asia.

AFF adds: Baker urged Washington's allies today to halt all arms shipments to Myanmar in order to force the military regime to free political prisoners and transfer power to a democratically-elected government.

Baker said that Myanmar, ruled by a military junta since 1988, should be censured for destabilising southeast Asia, flooding its neighbours with refugees and refusing to allow a government elected in 1990 to take office.

The Secretary of State was later speaking at a news conference after annual talks here.

'I think that until the situation there is changed and there is some respect for human rights and movement towards democracy, Myanmar will continue being a centre for instability and large refugee flows,' Baker said before leaving for Washington.

The ASEAN countries — Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand — have rejected demands for sanctions against Myanmar, opting instead for a policy of 'constructive engagement' to wean Yangon back into the international

See Page 12 Col 8

4 detained Tamils allowed to go home

By Staff Correspondent

The four Sri Lankan Tamils, detained at Zia International Airport (ZIA) for about a fortnight left for home Saturday after the Sri Lankan High Commission provided them travel documents, a senior airport official said Sunday.

The four Sri Lankan nationals including a woman were detained July 11 following their deportation from Amsterdam airport on charges of travelling without passports and other necessary papers.

'The Sri Lankan High Commission in Dhaka negotiated with the Foreign and Home ministries and provided their identities to the Bangladesh authorities to obtain permission for their exit,' an official of the airport immigration said adding 'the Indian embassy gave them transit visas to reach Colombo.'

The official said that the four Sri Lankans flew for

See Page 12 Col 4

Govt averse to consensus, says Hasina

Awami League leader Sheikh Hasina has said her party's new economic policy is aimed at building a self-reliant economy which would meet the people's basic needs and remove poverty, reports UNB.

Hasina, now on a visit to the United States, was exchanging views with expatriate Bangladeshis in Washington Saturday on the 'post-autocracy' political and economic situation in the country.

A message received at the party office in Dhaka yesterday said the leader of the Opposition besides outlining the party's economic policy, gave answers to different questions of the Bangladeshi nationals living in the US.

Hasina said, 'We want to establish hard-won democracy on a strong footing to make the country free from hunger and starvation.'

Referring to the political scenario after the fall of the

See Page 12 Col 6

US, Iraq heading for showdown

UNITED NATIONS, July 26: Washington and Iraq appeared to move closer to hostilities Sunday in the dispute over whether Baghdad would allow inspections of Iraqi facilities suspected of housing weapons-related documents, reports AP.

US officials threatened renewed military action against Iraq, and Iraqi President Saddam Hussein said the 'mother of all battles' he promised during the Gulf war is not over.

But Iraqi Ambassador Abdul Amir al-Anbari arrived at UN headquarters Sunday morning, telling reporters he was 'very

hopeful' about averting conflict but said nothing further. The ambassador said he was on his way to the office of Rolf Ekeus, who chairs the UN commission in charge of dismantling

UNITED NATIONS, July 26: Iraqi UN envoy Abdul Amir Al-Anbari said today the 'crisis was over' involving inspection of Baghdad's Agriculture Ministry and the matter had been settled. Anbari told a news conference after meeting with UN envoy Rolf Ekeus the matter had been 'finalized ... to the mutual satisfaction of both the (UN arms) commission and the Iraqi government.' He said Ekeus and a new team of UN inspectors would go to Iraq to carry out the inspection of suspected Iraqi nuclear materials in the Agriculture Ministry, reports Reuter.

Iraq's weapons of mass destruction under the terms of the Gulf war ceasefire.

Ekeus, who arrived at the United Nations earlier Sunday morning, was awaiting Iraq's

response to UN demands that Baghdad allow inspections.

Al-Anbari and Ekeus met Saturday discuss possible solutions to the impasse.

While Ekeus was awaiting a response, Saddam on Sunday seemed to indicate he was preparing for renewed allied bombing.

The masses expressed their full and unlimited readiness to defend the homeland and foil all conspiracies aimed at undermining Iraq's security and sovereignty,' he was quoted by the Iraqi News Agency as saying.

VHP suspends temple construction

NEW DELHI, July 26: A Hindu group on Sunday suspended construction of a temple near an ancient mosque, allaying religious tension across India, United News of India reported, reports AP.

At least six people have died and 100 wounded in sectarian flare-ups related to the dispute in Ayodhya, a northern town where the World Hindu Council was building the temple next to a 16th-century mosque.

Many Hindus believe a temple once existed on the site, and that a Muslim invader destroyed it to make way for the mosque.

Hindus make up 82 per cent of India's 844 million people. Muslims account for 12 per cent.

Two weeks ago thousands of Hindus began work on an 80 feet by 100 feet (25 meters by 30 meters) cement platform and an entrance to the temple in front of the mosque.

A council leader said construction will stop for a month to allow the cement to set on a platform that has been constructed.