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#### Inside Today

ever before.

#### Article

Bosnia needs super power leadership

by Muslehuddin Ahmed Page 4

### International

US backs Japan, Germany for Security Council seat Rebels want global arms embergo and trade sanction. on Myanmar Page 5

### Weekend Magazine

An Unforgettable Experience by Nancy Wong My World S. M. Ali Pages 10, 11

### Metropolitan Dhaka Day by Day



Computer's New Role of Nabbing Criminals Page 3

### Budget

Full text of budget speech Pages 6, 7 & 8

### Notice

Due to space constraint we are obliged to drop some of our regular pages today. We sincerely apologise to our valued readers for the inconvenience caused.

### **NEWS BRIEFS**

### **ALPP** meets today

A meeting of the Awami League Parliamentary Party will be held at 5 pm today at the conference room of the Leader of the Opposition in Sangsad Bhaban. Secretary of ALPP Begum Sajeda Chowdhury requested all Awami League MI's to attend the meeting, reports UNB.

### BDR, BSF flag meeting today

FENI, June 10: A flag meet ing between the Indian Border Security Forces (BSF) and BDR will be held here today (Friday) at the Deputy Commissioner's conference room, official sources said. Waiyp Singh District Magistrate of South Tripura will lead the four-member Indian delegation while Delwar Hossain, Deputy Commissioner of Fent head the home side, reports UNB.

### 13 ROK soldiers killed in blast

SEOUL, June 10: Thirteen South Korean soldiers died and 10 were injured today in an explosion during an artillery firing exercise near the demilitarized zone (DMZ) bordering North Korea, a Defence Ministry spokesman said. The soldiers were taking part in an artillery firing drill near Yonchon, some 60 kilometers (40 miles) northeast of Soul, when the blast oc curred, the spokesman said, declining to give more immediate details, reports AFP.

### 500 more homeless in Jamuna erosion

PABNA, June 10: Some 500 people of 300 families in 15 villages of two thanas were rendered homeless due to erosion by the river Jamuna, district administration sources said.

DHAKA FRIDAY, JUNE 11, 1993

### Rev income Tk 12,335 cr: Rev expenditure Tk 9,300 cr: ADP Tk 9750

# Tk 7617cr deficit budget

Finance Minister M Saifur Rahman Thursday announced a Taka 19952 crore expenditure budget for fiscal 1993-94 with an overall deficit of Taka 7617

The budget shows no new taxation but proposes to collect an additional revenue of Taka 388 crore through various administrative measures during the fiscal year.

The total revenue receipts for the coming year has been estimated at Taka 12335 crore, 12 per cent higher than the revised estimate for the outgoing fiscal year.

On the other hand, the revenue expenditure for 1993-94 has been set at Taka 9300 crore, nine per cent higher than the current year's estimate.

Commentary

By A Special Correspondent

omy, increasing the size and ef-

ficiency of public investment

while restraining current ex-

penditure and increasing rev-

enue earning, private sector de-

velopment and establishment of

frustrated that the 'awful mess'

left behind by the previous

profligate regime had prevented

him to guide the economy for a

big leap in terms of growth.

However, the government's in-

tense efforts have created a

'historic opportunity' for a big

leap starting from the next fis-

Rahman has proposed to in-

crease public sector savings by

To realize this, Saifur

The Finance Minister is

good governance.

After meeting the expenditure, there will be a revenue surplus of Taka 3035 crore. Adjusting this against the capi-

tal and food account, there will be a net contribution of Taka 2800 crore to the Annual Development Programme (ADP) from the revenue budget in 1993-94. In the current year, there has been a Taka 2550 crore revenue surplus from which Taka 1870 crore would be available for the ADP.

The size of the ADP for 1993-94 is Taka 9750 crore with an outlay of Taka 6519 crore external resources.

Of the total revenue income, Taka 10035 crore will come from tax revenue and Taka 2300 crore will come from nontax revenue.

Attired in a dark suit, the Finance Minister entered the House at 3:10 pm in a confident mood to present his fifth budget, the most by any finance minister of the country.

diture and to invest this saving

in quality projects. Rahman is

hopeful that his policies for pri-

vate sector development will

also start bearing fruit and sig-

nificantly supplement the

aforementioned increase in

public investment. An ambience

of good governance created

through re-structuring of the

machinery of government,

closer attention to maintenance

of law and order, curtailment in

the power of the bureaucracy

and empowerment of the people

through strengthening of local

government bodies will ensure

that public and private eco-

See Page 12 Col 1

Rahman's proposed budget aims at restoring stability in

By Staff Correspondent

the economy, increasing the size and efficiency of public investment, restraining current expenditure, increasing revenue earning, private sector development and establishment of good governance.

Talking about macro-cconomic stability of the country, he said the fiscal deficit has been brought down to below six per cent of the GDP from 7.1 per cent in 1990-91. The current account deficit has also come down to below two per cent of the GDP from about seven per cent three years ago. The country's foreign exchange reserves now stand at 2.2 billion US dollar - equal to seven months' import bill, the Finance Minister said.

"Given these favourable conditions, Bangladesh has now a historic opportunity to come out of the vicious circle of low income investment and low growth," the Finance Minister

He outlined that the medium-term strategy is to achieve acceleration of GDP growth rate to around seven per cent per annum starting with six per cent for 1993-94 to double the country's GDP at the end of the decade. Saifur said this would need a significant rise in the rate of investment from 13 per cent of the GDP in 1992-93 to 18 per cent

over the years. He stressed the need for raising national savings to pump in the increased investments and said, "Private savings are expected to gradually pick up as the reforms measures yield higher return on investment."

The Finance Minister also proposed to initiate a programme to modernise the country's budget system.

Expressing his earnestness regarding boosting the exportled economic growth, Saifur Rahman also announced that full convertibility of the Taka on trade account is under active consideration of the government as a step towards further deregulating the exchange cont-

\*Our new development perspective is focussed on the bottom 50 per cent of the population," Saifur said and added that investment in human capital and the social sector has been proposed to be raised from 17 per cent in 1991-92 to 21 per cent of the ADP in 1993-

He also pointed out that the proposed budget keeps an aggregate provision of Taka 1481 crore in the ADP for programmes that should generate quick employment.

See Page 12 Col I





Prime Minister Begum Khaleda Zia puts her signature on the proposed budget and the supplementary finance bill after approving those at a special cabinet meeting in her Jatiya - Star photo Sangsad office yesterday.

### Budget at a glance

Finance Minister entering JS

Using quotations from emi-

nent economist Kenneth Arrow,

fourteenth century philosopher

Ibn Khaldun, an unnamed six-

teenth century philosopher,

French philosopher Romain

Roland and British philosopher

Edmund Burke, Finance

Minister M Saifur Rahman in

his budget speech yesterday

called upon the members of

Parliament to summon the

courage to adapt Bangladesh's

policies and institutions to meet

the challenges of adjustment to

the fast changing economic

fied four areas for policy atten-

tion: restoration and suste-

nance of stability in the econ-

Saifur Rahman has identi-

with budget

	[In crore of Taka]		
Heads	Budget 1993-94	Revised 1992-93	Budget 1992-93
A-REVENUE BUDGET	17-2	Distriction	di Selenerasia
Receipts-Statement-II	12335	11060	11004
Expenditure-Statement III	9300	8510	8550
Revenue Surplus	3035	2550	2454
B-FOREIGN GRANT-Statemer.t-IV	3078	2691	2948
C-FOREIGN LOAN STATEMENT-IV	4004	3674	4105
D—DOMESTIC CAPITAL—  NET-Statement-V	() 25	15	() 193
E—Self Financing by Autonomous bodies statement IX	431	260	445
Total Resources Available	10523	9190	9759
F-USE OF RESOURCES	10020	7.00	
Annual Development Programme Statement-VIII	9750	8121	8650
Food for Works-Statement-VII	559	418	56€
- Non-ADP Project-Statement-IV Net outlay in Food operation-	97	117	116
Statement -VII	81	506	400
Others	36	28	20
Total	10523	9190	9758
Surplus/() Deficit	249	(000)	4

### Hasina tells Vienna confce

### Poverty main threat to human rights

Opposition leader Sheikh Hasina Thursday said poverty is the main threat to human rights and made a call to the international community to address to the issue on a priority basis, reports UNB.

"Lappeal to the International community to address to this basic issue (poverty) while they look at the legal, social and pohireal aspects of human rights"

The Leader of the Opposition in parliament and Awami League President was present ing a key note paper at the inaugural session of a World Conference on Human Rights in the Austrian capital of Vienna according to a message received in Dhaka

Organised by the Joint Planning Committee, the steer ing body of NGO Forum, the conference will be held in two parts. A three-day workshop was inaugurated yesterday while the main conference will be held from June 14-25.

"Poverty is now the main threat to human rights .... vast number of the world population live below the poverty line. For them it is the daily struggle for survival which takes precedence over all other considerations".

She said a big stride can be made in gaining human rights for a large number of people by ensuring security of work, employment and income for them. She warned that all efforts to extend human rights will be in vain if these basic goals are not

The Awami League leader said her party is pledge-bound to ensure democratic rights of every citizen in Bangladesh. A democratic label is not enough to safeguard the human rights of the people, she added.

Once elected, a government can adopt undemocratic means to suppress opposition to remain in power, she said, adding "We, in Bangladesh, are presently living under a stifling anti-terrorism Act which is used with impunity against the opposition political parties and their workers.

The opposition leader said a democratic system of government which guarantees popular participation in running the affairs of state is an indispensable condition for the success of the efforts to protect human rights in all its dimensions. She lamented that discrimi-

See Page 12 Col 6

### Tariff burden, tax relief at a glance

Staff Correspondent TARIFF BURDEN

\* 7.5 per cent duty on all imported books (previously

Duty on imported rice 7.5% (previously nil). Duty on imported wheat 15

per cent (previously 7.5%). Stamp duty doubled; Revenue stamp duty now Tk 4 instead of Tk. 2. Increase on foreign travel

Increase of duty on mangoes from all sources from existing 60 per cent to 75

TAX RELIEF

per cent.

Income Tax ceiling raised from Tk. 40,000 to Tk.

Lowering of Company Tax from maximum of 55 per cent to 50 per cent.

Withdrawal of house assessment system. Exemption limit for income

from housing from Tk. 20,000 to Tk. 30,000. Advance income tax limit raised from previous

maximum Tk 60,000 to Tk. one lakh Proposal to reduce rates of duties on no less than 2,870 items (not specified). Presently there are about

duties imposed. 50 per cent reduction of duty on cotton.

12,800 items that have

Ceiling of Turnover Tax increased from Tk 5 lakhs to 7.5 lakhs.

VAT withdrawal from cotton and poultry. VAT withdrawn on milk products such as butter,

ghee and curd. VAT withdrawn from in-

secticides. Reduction on duty on milk imported in bulk from 45 per cent to 30 per cent.

Tariff reduction on uncut diamond, gold and silver. Reduction of duty on agricultural, textiles, dairy, poultry, pisciculture and cold storage industries. Reduction of duties on motorcycles and three-

wheeled vehicles. Reduction of duties on imported fish, poultry and livestock feed duties on pumps and accessories including those used in agriculture to be reduced. Reduction of duty on PVC

### Cabinet okays new, revised budgets

The cabinet yesterday approved the national budget for the fiscal 1993-94 and revised budget for the fiscal 1992-93 with the Prime Minister Begum Khaleda Zia in the chair, repots

Finance Minister M. Saifur Rahman placed both the new and revised budget before the cabinet for its approval at its meeting here at the committee room of the Sangsad Bhaban.

Ministers and state ministers in charge took part in the discussion on the new and revised budget.

After the cabinet meeting, Finance Minister M. Saifur Rahman, a step behind the Prime Minister Begum Khaleda Zia, entered the Jativa Sangsad straight at 2.55 pm to place the budget in the House.

**Economists** 

guarded in

their opinion

By Staff Correspondent

have termed the current budget

fine tuned to the international

dynamics but pointed out that

the success would depend on

the government's sincerity and

capacity to harness maximum

Giving instant reactions to

The Daily Star Thursday, some

of the economists, however, ob-

served that the budget had

dabbled in "some jugglery of

figures" and had failed in

promising adequate incentive

for a harmonious growth of the

sectors in which the goal set

last year could not be achieved,

Ahmad said that there were

many promises in this year's

budget which he truly wanted

rent budget was on privatisa-

tion, increased deregulation and

globalisation of the economy, he

"While the government's in-

tention is well expressed, there

was little encouragement for

private investment," Dr Ahmad

Pointing out the five per cent

growth rate in the country's

GDP, he said "It does represent

See page 3 coi 6

The main thrust of the cur-

It also lacked a review on the

Dr Qazi Kholiquzzaman

benefit for the people.

private sector.

they said.

to believe.

observed.

Economists of the country

### Opposition politicians term it 'rhetoric'

By Staff Correspondent

Opposition political parties of the country, giving their reactions to the proposals in the new budget, said that the document would not help resolve the economic crisis confronting the nation.

Terming the budget speech as a piece of rhetoric, the opposition leaders said, the text of the budget had failed to give any specific direction to ride over the problems existing, especially in the country's agriculture and industrial sectors.

They observed that the budget had been proposed virtually to satisfy the urban middle

Abdus Samad Azad, acting president of the Awami League (AL), in statement issued to the press last evening, said that the

ruling Bangladesh Nationalist Party (BNP), by withdrawing subsidy to the agriculture sec-

tor, had once again proved that

it had no sympathy for the

peasants. The budget castigated the farmers rather than rewarding them for boosting production,

The budget would also fail to attract investment and to increase production in the industrial sector, the AL leader added.

Monirul Hoque Chowdhury of the Jatiya Party (JP), giving his reactions, said, "The budget speech was a jugglery of words full of famous quotations. But it had no relevance with the BNP

See page 3 col 4

## Budget evokes mixed reaction

By Staff Correspondent

taxpayers."

Finance Minister M Saifur Rahman's budget speech for the fiscal year 1993-94 at the Jattya Sangsad yesterday prompted instant reaction countrywide.

Salman F Rahman, President of Bangladesh Aushad Shilpa Samity, congratulated the Finance Minister for presenting a budget "which will go a long way in strengthening the private sector's participation in the development of the country's economy.

Finance Minister's statement that the government's prime responsibility should be to create an enabling environment so that the private sector may come forward and play their due role, "is specially welcome." The president of the

Salman Rahman said the

Bangladesh Aushad Shilpa Samity expressed the confidence that the new budget proposals would encourage domestic and foreign investors' participation in the economic development of the country. The Faridpur Chamber of

Commerce and Industry yesterday appreciated the initiatives taken in the budget for domes tic resource mobilisation and including revenue surplus in the development budget.

The chamber stated

increase of Tk 54 crore tax proposals and side by side decrease of Tk 365 crore tax prove that the government has taken an appreciable initiative to make the tax administration more efficient instead of impos-

ing additional burden on the

President of the chamber, Mir Nasir Hossain, in a press statement however, said that the budget should have had clear guideline for the survival of the local industries for the greater interest of the nation.

Women's organisation Naripakkha, giving its reactions, criticised the government for contradicting its own policy on breast-feeding.

Nasrin Hague of Naripakkha, talking to The Daily Star, said that the government had taken a policy to encourage breastfeeding for a long time and discourage powder milk for the consumption of babies.

But, she said, "The budget proposes to increase production of power milk in the country. This is quite a contradiction of its own policy." The Consumers' Association

of Bangladesh (CAB), criticising the imposition of tax on essential items including chillies, See page 3 col 4

#### By Mahfuz Anam

People from Sylhet, now fighting for a separate division, must have felt terribly let down yesterday. One day in the year when the Sylheti dialect lopps language) usually took precedence over Bangla in Parliament and on the electronic media, was when our seasoned Finance Minister would deliver his budget speech. But this year, much to the relief of us all, especially journalists covering the event, and of course to the disappointment of his fellow Sylhetis, Mr Saifur Rahman actually spoke in Bangla - clear, distinct Bangla. As a prepa-ration for this day many of us have been improving on our understanding of Sylheti - I being particularly blessed having an editor from the same dis-

### **Education retains** top allocation

See page 3 col 7

By Staff Correspondent

The Education and Religion sector once again received the highest allocation of Tk 2,728 crore with Tk 902 crore ADP grants, while the Labour and Manpower sector received the lowest sanction of Tk 42.42 crore in the 1993-94 budget.

In 1992-93 fiscal year the allocation was Tk 2,279 crore for Education while the Labour and Manpower sector was given Tk 30.39 crore.

Some 48 per cent of the total Education sector allocation is meaht for primary education. Defence got the second highest allocation of Tk 1,624 crore

followed by Transport Tk 1,583 crore, Public Administration Tk 1,579 erore, Puwer 1,293 crove and Water Resources Tk 1.023

See Page 12 Col 1

### 3 pc inflation rate likely

By Staff Correspondent

The inflation rate in fiscal year 1992-93 is expected to remain confined to 3.0 per cent as against the previous year's rate of 5.1 per cent, according to the Bangladesh Economic Survey

The price of food stuff has increased by 5.1 per cent in the current FY compared to the previous year, while the prices of energy and electricity has risen by 5.6 per cent, house and homestead by 7.6 per cent, clothes and footwear by 3.4 per cent while other essential items,

by 5.9 per cent. Previously in 1991-92 fiscal vear the rate of increase was : food 5.1 per cent, electricity and energy - 8.2 per cent, house and homestead .- 1.5 per cent, clothes and footwear - 2.0 per cent and other essential items — 3.3 per cent.

### Energy policy soon

By Staff Correspondent The government will soon

announce a comprehensive energy policy. Finance Minister told the Jatiya Sangsad yesterday while placing the national budget for the year 1993-94.

He said that foreign investment offers of hundreds of millions of dollars have been received for the power sector which demonstrate the growing confidence of the investors in the government's economic policies.

He said that the government increased use of power and natural gas by 11 per cent under the Fourth Five-year Plan to meet the growing demand of

#### See Page 12 Col 5 Duty rates to be reduced

By Staff Correspondent

Finance Minister M Saifur Rahman stated that in the proposed finance act statutory duty rates would be reduced and fixed at 100 per cent or below except in cases of alcoholic beverage and other goods detrimental to health and hygiene.

He said that so far rates of customs duties were reduced by executive orders without ever bringing any change in the extremely high rates of statutory duties prescribed in the first schedule of the Customs Act.

See Page 12 Col 6