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Page 3WB-initiated programmes have
failed to meet objectives: Saifur

By Staff Correspondent

Finance Minister M Saifur Rahman Wednesday criticised the World Bank (WB) initiated structural adjustment programme for having failed to adequately meet its objectives.

"The World Bank's structural adjustment programme has not been able to deliver the desired results, particularly in the micro-economic sector," he pointed out while inaugurating a two-day conference on the "Economy of Bangladesh" at a local hotel.

The Minister, however, said that the International Monetary Fund (IMF)-sponsored macro-economic stabilisation programme was successful, but added that the reform measures are facing opposition from "everywhere".

Rahman also disclosed that

the WB had recently threatened to turn down a government request to provide funds for the jute sector reform programme because of the wage hike announced for the public sector workers and the rising production costs in the sector.

He was referring to the recent Jatiya Sangsad debate on the jute sector, which, he said, did not reflect the "true" picture of the sector.

Rahman also noted that the government is planning to make the currency convertible on trade and service accounts by October 1 and also on capital accounts by July next.

Jointly organised by the Asian Development Bank (ADB) and the Academy of Planning and Development, LGRD and Cooperatives Minister Barrister

Abdus Salam Talukder delivered the key-note address at the inaugural session of the conference chaired by Industries Minister A M Zahuruddin Khan. ADB Resident Representative Geert Van Der Linden also spoke.

The Finance Minister observed that it is time to assess the extent of success and failure of the economic policy framework initiated in recent years, which would help provide future policy guidelines.

Such an assessment would be initiated, he said, perhaps through the Bangladesh Institute of Development Studies (BIDS), in November.

Rahman claimed that there was an "overdose" of the adjustment programme in the WB-designed policy, under

which, he said, "No sector was left untouched."

One should ask to what extent, under the prevailing political conditions, these reforms were relevant, he explained.

The bank's adjustment policies failed to yield the desired results, particularly in the micro-economic sector, the Minister said, although domestic resource mobilisation has been geared up and a congenial environment for investment has been put in place.

The Minister also blamed the private sector for failing to respond to the stimulus. "Lack of entrepreneurial drive seems to be hindering the growth," he observed.

The banks are facing difficulty in finding viable schemes

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6 die, 100 hurt in police
firing at Moheshkhali

From Our Correspondent

COX'S BAZAR, Sept 15: Six people were killed and over 100 wounded when police opened fire on a mob at Matarbari Union in Moheshkhali this afternoon.

Thousands of villagers were protesting the arrest of a former Matarbari Union Chairman — Al-hajj Siddiq Ahmed Chowdhury, said to be in his nineties, — near the union parishad office this afternoon.

A special force of Moheshkhali police raided the house of the former chairman in the morning, arrested him along with his three sons and 13 other people on charges of corruption.

Police opened fire after the mob attacked them with lethal weapons when they were proceeding toward the jetty to board a boat with 16 arrested persons, witnesses said.

Some policemen chased the mob while another team left the scene for Moheshkhali Police Station with the 16 people by an engine boat. The clash continued for two hours.

Earlier, as soon as the news of arrest spread, thousands of villagers gathered near the Union Parishad office where police had kept the arrested persons.

None of the dead could be identified immediately. Witnesses said, police took four bodies to the Cox's Bazar Sadar hospital while the villagers took away two other bodies.

Most of the wounded people were admitted to the Chittagong Medical College Hospital and a Christian missionary hospital at Chokoria, Cox's Bazar.

Seven policemen who were also injured in the fighting were admitted to the Moheshkhali Thana Health Complex.

Naga rebels
gun down
100 rivals

GUWAHATI, Sept 15: Naga separatists in India's northeast Manipur state killed at least 100 rival tribesmen, police said today, reports Reuters.

They said some 30 guerrillas of the outlawed National Socialist Council of Nagaland (NSCN) raided Zaupi village of the rival Kuki tribe on Tuesday morning, lined up the men and shot them.

Manipur Police chief Mahesh Sharma said the toll was the highest of any NSCN attack on the Kuki tribes people, who are regarded by the Nagas as government informers.

"We have recovered some 80 bodies. The toll will be higher than 100," Sharma told Reuters.

Cabinet decides
on import
policy today

In the backdrop of differing opinions of the ministries of Finance and Commerce a special Cabinet meeting will take place today to decide on the country's next import policy, reports PNA.

An official source said the government is under pressure from the World Bank and the donor agencies to liberalise the trade restrictions. In some cases, they put it as a condition for disbursement of aid.

The Cabinet discussed the import policy proposals placed by the Commerce Ministry as well as the financial programme on import for 1993-94 at its weekly regular meeting on Monday last.

The import policy is usually announced at the end of an outgoing financial year, but the government failed to maintain this general practice this year (1993-94) due to difference of opinion of the two ministries.

The Finance Ministry, in accordance with WB prescription, See Page 12 Col 1

Designs of old
buildings to be
maintained

Prime Minister Begum Khaleda Zia yesterday emphasised that architectural designs of the country's old government buildings and structures should be kept up at the time of renovation, repair and reconstruction, reports UNB.

The architectural designs should be maintained to preserve the nation's heritage, the Prime Minister said while presiding over a meeting of the National Implementation Committee of Administration Reorganisation (NICAR) at the International Conference Centre (ICC).

The meeting discussed, among other things, the development of district and thana headquarters and allocated Tk 160 crore among five ministries for this purpose.

Padma devours
vast areas
in Louhajang

By Nazmul Ashraf

LOUHAJANG (Munshiganj). Sept 15: Erosion of the mighty Padma has devoured nearly five kilometres of its bank from Louhajang to Dhaidia over the past 20 days.

One of the major rivers of the country, the Padma has meantime swallowed the Louhajang port jetty situated at the Digholbazar bend, and its surrounding localities covering one square kilometre.

The on-going erosion of the Padma has already destroyed about 500 business establishments including two branches of the Janata and Bangladesh Krishi Bank, six rice mills, four ice factories and five pottery and metal works, all localised around the port.

A busy river port before partition, Louhajang, once had direct commercial links with Calcutta. But over the years the port's importance declined and has remained inoperative because of unabated erosion since late last month.

The newly-built Padma Cinema Hall, adjacent to the port, is awaiting obliteration as the river, continuously widening its banks here, was only a few yards away.

Unofficial sources estimated the losses, caused by the river erosion till yesterday, at Tk 25 crore.

At least 200 families have been rendered homeless as the Padma keeps devouring localities adjacent to the port bazar which is an important wholesale rice and timber market.

While visiting the affected area yesterday, The Daily Star correspondent found no action by the local administration to check the river erosion or to rehabilitate the affected people.

Lawmakers firm to curb
campus violence

By Staff Correspondent

The Treasury and Opposition benches yesterday separately expressed their determination to curb violence at the educational institutions and sought each other's cooperation to establish rule of law in the country.

The legislators, during a four-hour debate on the terrorist incident in the Jahangirnagar University (JU) campus on July 29 which left some teachers injured and led the authorities to close down the institution sine die identified terrorism as the enemy of democracy, development and humanity.

While deliberating on the issue, both the Treasury and

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UNCTAD report on world trade & development

Boldness needed to deal
with global debt, deflation

By Rashed Mahmud Titumir

The Trade and Development Report, 1993 (TDR) of the United Nations Conference on Trade and Development (UNCTAD) calls for "boldness" and "realism" in changing the world economic structure and for dealing with the debt overhang and global deflation.

The report, expected to be released today worldwide through press conferences in five affluent capitals, also challenges the conventional wisdom of development and global economic issues.

Belying the projections made earlier by almost all international economic organisations, the report now affirms that the North has failed to recover and unemployment has become the overriding problem, while government debt has escalated.

"Governments find themselves on the horns of a dilemma," UNCTAD Secretary General Kenneth S S Dazile explains in his overview to the TDR. "An expansionary fiscal stance will reduce unemployment but raise government deficits and debt even further, whereas fiscal consolidation will lengthen the debt queues; and inaction will throw more people out of work as well as increase government borrowing to pay them," he says.

He suggests the 'most promising way' to cope with deficits, debt and deflation is to have a one-time capital levy combined with privatisation to reduce debt, alongside one-off spending increases to sustain incomes.

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NEWS BRIEFS

Hasina's condition
improves

The condition of Sheikh Hasina, Awami League President and Leader of the Opposition in Parliament, suffering from Typhoid for the last 10 days, is improving. The party's health affairs secretary Dr Mustafa Jalal Mohiuddin yesterday said the Opposition leader is expected to recover from her illness in the next few days. Hasina has been under treatment of Prof A Qadri, Prof Mahmud Hasan and Dr SA Malek, reports UNB.

US aircraft in Ctg

A maritime patrol aircraft (P-3 Orion) of the US navy arrived in Chittagong yesterday on a four-day visit to Bangladesh, an ISPR press release said. During its stay the aircraft will take part in a joint exercise on maritime surveillance, search and rescue missions in the Bay of Bengal with naval ships and BAF aircraft. It will also be put on static display and kept open to limited number of visitors at the Chittagong Airport today, reports BSS.

College teachers'
strike Sept 18, 19

Eleven thousand teachers and officials of government colleges will observe two-hour token strike from 11 am on September 18 and 19 at the call to Pro-Kri-Chi O BCS Kendrio Sangram Parishad. The work-stoppage aims at pressing home 17-point charter of demands including 4 proposals already admitted by the government, reports UNB.

Commentary

A new cause for Dhaka: Help
the new Palestinian state

By S.M.Ali

Bangladesh should join international efforts in rebuilding the Gaza Strip and Jericho in response to the appeal for assistance from Chairman Yasser Arafat. This would be one way of demonstrating the concern of Dhaka for the future of the Palestinian state, that goes beyond rhetorical statements and high-sounding policy speeches.

What Bangladesh can do in this respect would be symbolic and modest. But it would show that even a poor developing

country like ours can play a role in changing the lives of impoverished Palestinians in their new homeland.

A plan of action by Dhaka would call for innovation and See Editorial — Page 4

imagination. And the sooner it is put into effect the better.

To start with, the government should announce immediately that it is ready to send a small group of teachers, doctors and nurses to the Gaza

Strip and Jericho. Since Parliament is in session now, the announcement should be made by Prime Minister Begum Zia from the floor of the Jatiya Sangsad, hopefully with a supporting statement by the Leader of the Opposition, Sheikh Hasina, to give our move maximum impact.

The move to send our teachers, doctors and nurses, among others, to the new state for a limited period should be

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AL demands
withdrawal of
Zila Parishad
Bill

The Awami League yesterday demanded immediate withdrawal of the Zila Parishad Bill and formation of a parliamentary commission for restructuring the local government through a national consensus, reports UNB.

The demand came from the party Central Working Committee meeting which viewed that the local government bodies should be constituted through direct elections to give democracy an institutional shape and uphold the Constitution.

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'Private banks
need support,
not NCBs'

By Staff Correspondent

The current reform programmes could benefit more from increased support for private banking and less emphasis on the improvement of the Nationalised Commercial Banks (NCBs).

Chairman of Tariff Commission Muiyuddin Khan Alamgir and Forrest Cookson of the Bangladesh Bank commented in a paper on Financial Sector Reform Project, which was presented at the conference on "Economy of Bangladesh" held yesterday at the Hotel Sheraton.

They said the expected improvement of the NCBs had not been forthcoming and the banks continue to experience rising levels of bad debt and operating losses. "The critical question is whether the time is ripe for privatization of these banks," they said.

They also suggested that the recapitalisation of the NCBs should be stopped, thereby forcing the banks to meet the capital adequacy requirements from their own resources.

The co-authors of the report also felt that the government should restrict its support to golden handshake programmes and the NCBs should be made free to manage their costs as they wish.

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Top PLO opponents meet Gaddafi

TUNIS, Sept 15: Yasser Arafat jumped from peace-making in Washington into a tug-of-war within his own group Wednesday for support from Palestinian leaders and Arab governments, report AP, Reuters.

After signing a landmark peace accord with Israeli Prime Minister Yitzhak Rabin on Monday, Arafat returned to Tunis to find the Palestine Liberation Organisation racked by the deepest split in its 30-year existence.

Arrayed against the 64-year-

old PLO Chairman are prominent Palestinian figures, including longtime comrades who feel the peace accord doesn't go far enough.

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Opponents of the accord would like to convene a Palestinian "national conference" to forge a united front against the accord.

The leaders of the second and third-largest factions in the Palestine Liberation Organisation, George Habash and

Nayef Hawatmeh, met in Libya with Moammar Gaddafi, the official JANA news agency reported. It did not say when the meeting took place or give further details.

Meanwhile, Farouk Kaddoumi, the PLO foreign affairs chief who refused to sign the self-rule agreement held talks overnight with senior Iraqi officials, Baghdad newspapers reported today.

Kaddoumi arrived in Baghdad on Tuesday, telling reporters he remained opposed to