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NEWS BRIEFS

Money rates

Money rates in the call
money market ranged from 2.5
to 8.75 per cent during the
last week till Wednesday. The
interest rates offered by the
bank on certificate of deposits
varied from 4 to 8.75 per cent,
said a Bangladesh Bank press
release yesterday. The bank
rate, however, remained un-
changed at 6 during the pe-
riod, reports UNB.

PAMS confce begins
tomorrow

Lieutenant General Robert L.
Ord, III, Commanding General,
US Army, Pacific, arrived in
Dhaka yesterday to co-host the
18th Pacific Armies Manage-
ment Seminar (PAMS) here.
The PAMS conference, which
begins in Dhaka tomorrow, is
hosted jointly by the Bangla-
desh Army and the US Army,
Pacific, reports UNB.

Krishak League
meet tomorrow

Awami League President
Sheikh Hasina will address an
extended meeting of Krishak
League central working com-
mittee tomorrow. The meeting
will be held at the Awami
League central office at 10 am.

Govt to clear its coal
stock at any price

By Special Correspondent

Coal worth about 50 crore
taka, stockpiled in government
depots, will be disposed of at
cheaper prices by March next
before the planned winding up
of the Coal Directorate, official
sources said.

About 165,000 tonnes of
coal have been lying unsold for
over two years in 26 depots
owned by the Directorate at dif-
ferent places of the country.

According to a recent deci-
sion of the government, about
35,000 tonnes at five depots will
be sold to those who had offered
around 1200 taka per tonne fol-
lowing tenders floated earlier.
The rest of the stock — 130,000
tonnes — at 15 other depots —
will be cleared through open

The decision to clear the coal
stock and the procedure for
doing so has already been ap-
proved by the Council
Committee for Finance and
Economic Affairs.

Informed sources said the
government is likely to incur a
loss of about Taka 35 crore due
to the decision.

The coal at the various gov-
ernment depots was imported
from Raniganj (India), Indone-
sia, Mozambique and Swazi-
land. Taka 2964 per tonne was
fixed as the original selling
price. But due to liberalisation

of the import policy coal, irre-
spective of quality, is being im-
ported by the private sector,
mostly from the eastern part of
India. This is cheaper than
those consignments imported
by the public sector. As a con-
sequence, the coal in the gov-
ernment's stock remained un-
sold.

According to well-placed
sources, the monitoring com-
mittee of the Commerce
Ministry earlier suggested the
Coal Directorate be retained,
albeit in a skeleton form for at
least another year beyond next
March to facilitate proper dis-
posal of the coal stock and re-
ducing the losses.

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Import duties
on soyabean
oil reduced

The Government has re-
duced import duties and taxes
on crude soyabean oil by five
per cent and on refined soy-
abean oil by 15 per cent in a bid
to improve the domestic supply
position and ease the prices of
edible oil, reports UNB.

An official announcement
yesterday said, in view of the
recent upward trend in the
price of edible oil in the domes-
tic market, the government has
reduced import duties and
taxes on crude degummed soy-
abean oil (CCSO) from 50 per
cent to 45 per cent.

This will result in a loss of
Tk 10 crore as revenue to the
exchequer in 1993-94.

In addition, the government
has also reduced the import
duty on refined oil from 75 per
cent to 60 per cent.

CEC, political parties agree
Graffiti, roadside camps
must be removed

By Staff Correspondent

All wall-writings and make-
shift election camps erected on
the roads and pavements for
the upcoming January 30 city
corporation polls will have to be
removed immediately.

This was decided unani-
mously at a meeting last night
between the Chief Election
Commissioner Justice Abdur
Rouf and representatives of dif-
ferent political parties. The
three-hour meeting, at the
Election Commission secretariat
in Sher-e-Bangla Nagar, ended
at 10:15 last night.

Attended by representatives
from the BNP, Awami League,
Jatiya Party, Jamaat and
Workers' Party — all having
representation in the Jatiya
Sangsad — the meeting resolved

that the Chief Election
Commissioner would immedi-
ately ask the four city corpora-
tions — Dhaka, Chittagong,
Rajshahi and Khulna — as well
as the respective Metropolitan
Police, to erase all wall-writings
in favour of candidates contest-
ing the polls.

The candidates themselves
would have to remove their
election camps set up on the
roadsides. Failure to comply
would invite punitive action by
the Election Commission under
relevant rules.

The issue of campaigning
from open-topped jeeps, pick-
ups or lorries was also mooted
but a final decision on the sub-
ject was left to the EC, which

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CCI & E likely to
be squeezed

Star Report

The office of the Chief Con-
troller of Import and Exports
(CCI&E) is likely to be
squeezed, limiting its func-
tions to certain activities.

The issue of downsizing the
CCI&E office is now being
considered by the government
while the newly constituted
Administrative Reorganisation
Committee is expected to put
forward soon specific recom-
mendations in this regard.

The CCI&E office of the
Commerce Ministry has so
long been supervising and con-
trolling the country's import
and export trade under the
rules and policy of the gov-
ernment. However, following
the introduction of a free mar-
ket economy in the country
and consequent trade liberali-
sation, the authorities now feel
a restructuring of the CCI&E
and other relevant depart-

See Page 12 Col 6

Polybag makers
meet PM, earn
a reprieve

Prime Minister Begum
Khaleda Zia said here yester-
day that the earlier decision
of the government to stop manu-
facturing of polythene bags
within the stipulated time
would be deferred, reports
BSS.

She, however, said the mat-
ter would be reviewed finally
in a Cabinet meeting.
The Prime Minister told
this to the members of a dele-
gation of the Bangladesh
Plastic Product Manufacturers'
Association when they called
on her at her office.

The delegation, led by the
president of the association
Lakatullah, urged the Prime
Minister to extend the dead-
line to stop manufacturing of
polythene bags in the country.

The Prime Minister gave
them a patient hearing and ad-
vised them not to set up new
polythene bag manufacturing
units. She also advised them to
convert the existing units into
jute bag manufacturing units.

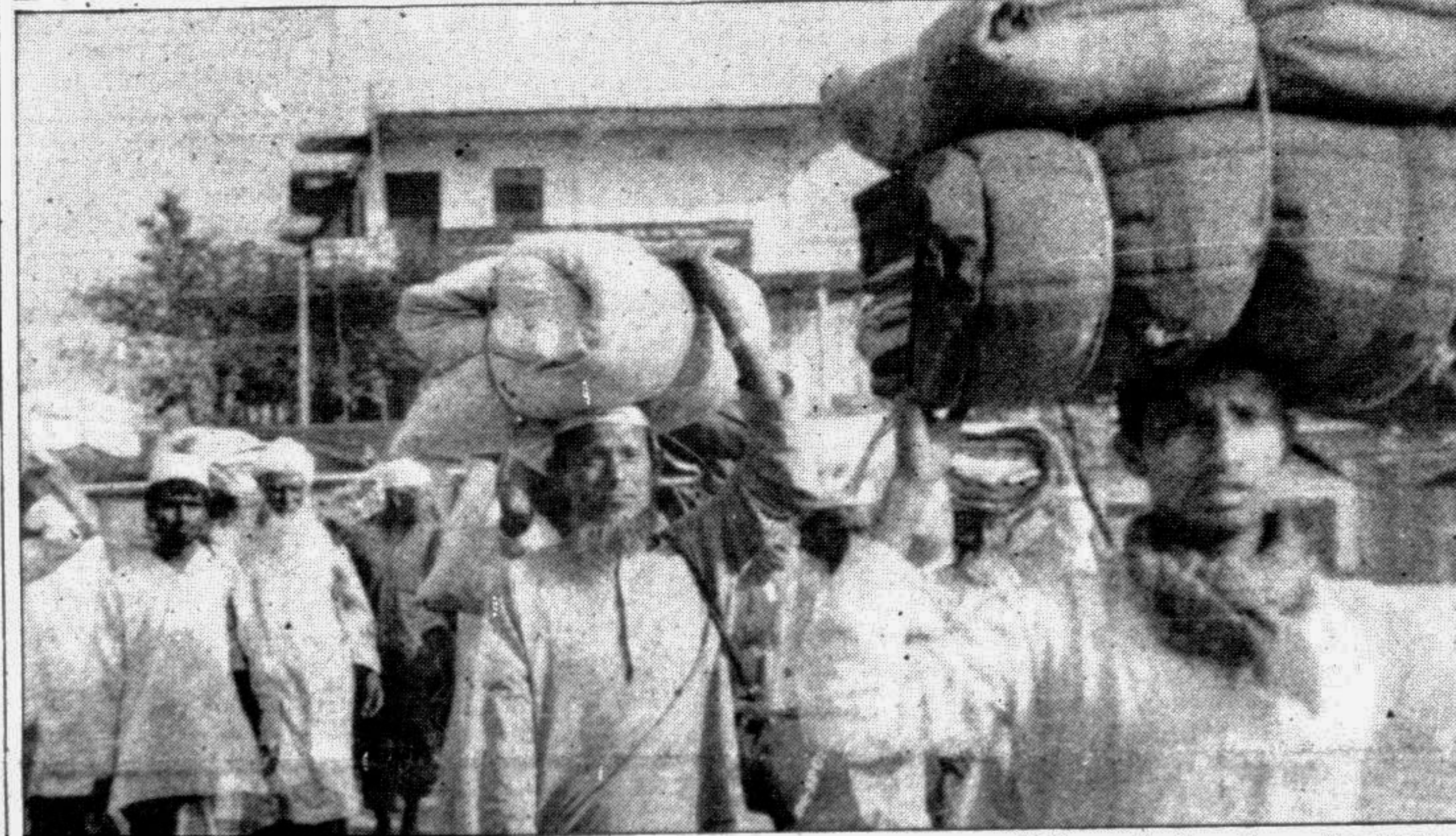
JS body approves
draft Environment
Protection Act '93

A parliamentary committee
yesterday approved the draft
National Environment Pro-
tection Act 1993, aimed at
maintaining the ecological bal-
ance, reports UNB.

The parliamentary standing
committee on the Ministry of
Environment and forest in its
19th meeting discussed the
problems with regard to making
the Bangladesh Forest Industry
Development Corporation a vi-
able organisation.

Held at the Sangsad Bhaban
with Environment and Forests
Minister Akbar Hossain in the
chair, the meeting recom-
mended the ministry ban the
use of unseasoned and un-
treated wood.

The meeting further recom-
mended that all government
See Page 12 Col 3



Devotees proceeding towards Tongi yesterday to attend the Biswa Ijtema, the second biggest Muslim congregation in the world, held annually. — Star photo

News Analysis

The economy: Anatomy of stagnation

By A Special Correspondent

After a period of gradual
decline in the rate of inflation,
the price level in Bangladesh
has entered a deflationary
phase. Imports continue to
remain depressed, contribut-
ing to a current account sur-
plus in the balance of pay-
ments for the first five months
of the current financial year.
Although money in requisite
amount is available, public in-
vestment has decelerated. This
is the picture of the contem-
porary Bangladesh economy
that emerges from reports of a
press conference with the
Governor of Bangladesh Bank
held last Wednesday.

Even in the recent times
falling inflation rates used to
be cited as evidence of sound
macro-economic management.
In his budget speech last June
the Finance Minister said that
the decline in the inflation
rate to below 3 per cent was a
significant achievement. But
when low inflation turns into
deflation in a poor country like
Bangladesh it is symptomatic
of deep-seated problems. It

signifies that the brakes on
spending were pushed too
hard so that people are pre-
ferring to hold on to their
money. If they had come for-
ward to spend it, overall de-
mand would have increased,
preventing the free-fall in the
price level.

The Bangladesh Bank
Governor has called the Dhaka
Middle Class Cost of Living
Index as an inappropriate
measure of inflation rate be-
cause of the prominence that
it gives to food consumption.
He believes that the consump-
tion pattern of the middle
class in Dhaka has changed
since 1972-73. The Bangla-
desh Bureau of Statistics is
reportedly working to draw up
a new index with 1985-86 as
the base year.

If the Dhaka middle class
consumption pattern had in-
deed changed then price level
changes with reference to
prices in 1985-86 may show
some inflation for the present
time instead of deflation. But,
it will also show that inflation

rate in the last few years was
higher than what the govern-
ment had reported. For ex-
ample, had the new index with
1985-86 as base year been
available prior to June 1993,
the Finance Minister may not
have been able to claim suc-
cess in achieving price stabili-
ty.

This issue of refining the
official measure of inflation in
Bangladesh — although given
prominence by the Bangladesh
Bank Governor — is really an
aside. There are other indica-
tors, showing that some factor
or factors are working to
squeeze aggregate demand in
the economy. For example, the
Governor himself has reported
in the press conference that
import of consumption goods
has decreased while import of
capital goods is sluggish.
Given that there is no evidence
of increased production in the
non-food manufacturing sec-
tor, depressed import does
mean depressed aggregate
demand.

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Biswa Ijtema
begins
tomorrow

From Our Correspondent

GAZIPUR, Jan 13: The
three-day Biswa Ijtema, the
second biggest congregation of
the Muslims, will begin tomor-
row (Saturday) on the eastern
bank of the river Turag in
Tongi.

Thousands of devotees from
every nook and corner of the
country have already started
pouring in. Devotees are com-
ing by buses, trains, launches
and other vehicles to the
Ijtema and this influx will con-
tinue till the Akheri Munajat
on Monday noon.

According to a source of the
Tablig Jamaat about 3000
devotees from some 35 foreign
countries including Saudi
Arabia, UK, USA, Algeria, Bah-
rain, UAE, Indonesia, Malaysia,
Sudan, Syria, Brunei Australia,
France, South Africa, the Phi-
lippines, Chad, Nigeria, Sing-
apore, Kuwait, Qatar, Egypt,
Shri Lanka, Turkey, Thailand,
Morocco, Ethiopia, Jordan,
India and Pakistan will partici-
pate in the Biswa Ijtema.

A six square kilometre
mammoth pandal is being
See Page 12 Col 8

No compromise with
Nusrat: Benazir

ISLAMABAD, Jan 13: Pakis-
tani Prime Minister Benazir
Bhutto said she would not be
blackmailed by her mother and
let stand her ouster as leader
of the ruling party, indicating
a worsening today of the mon-
th-old political family feud,
reports AFP.

Stressing that she had tried
hard for a compromise, Bhutto
ruled out a reversal of the re-
cent removal of her 65-year-
old mother, Nusrat Bhutto,
from the presidency of the
ruling Pakistan People's Party
(PPP).

A December 5 decision by
the PPP central executive

Abul Hasnat gets
ad-interim bail

A High Court Division bench
yesterday granted ad-interim
bail to former mayor of the
Dhaka City Corporation,
Barrister Abul Hasnat, reports
BSS.

Barrister Hasnat was de-
tained further on January 4
after getting bail from the High
Court Division on the same day.

C & F agents go
on indefinite
strike in Ctg

From Staff Correspondent

CHITTAGONG, Jan 13: About 3000 employees of clearing and forwarding agents (C&F) here went on an indefinite strike from Wednesday in support of their 8-point demands.

The demands include refix-
ation of wages, issuance of ap-
pointment letters, transport
accommodation and group in-
surance facilities.

The association of the C&F
employees gave the call for the
strike.

As a result, clearing and
forwarding activities of import
and export cargoes by the
Chittagong Sea Customs were
hampered, port sources said.

Processing and filling of
documents against import and
export consignments almost
came to a halt following the
strike of the C&F agents em-
ployees.

Dhaka hosts meet
on diarrhoeal
diseases Sunday

By Staff Correspondent

Delegates from ten countries,
including Bangladesh, will
begin a four-day inter country
consultative meeting in the
capital Dhaka on Sunday to
discuss ways of containing
cholera and diarrhoeal diseases.

The meeting organised by
the World Health Organisation
(WHO), the UNICEF and the
Bangladesh government, will
discuss regional experiences on
cholera and diarrhoeal diseases
and finalise the programme
planned for the current year.

Dr A N A Abeyesundere,
WHO Representative in
Bangladesh, at a press confer-
ence in the city yesterday said
some 40 to 50 delegates from
Bhutan, India, Indonesia, the
Maldives, Mongolia, Myanmar,
Nepal, Sri Lanka, Thailand
and Bangladesh will attend the
conference.

Epidemiologists from some
cholera prone countries in the
region and scientists from
See Page 12 Col 6

Interview with KCC mayoral candidate

Khulna will be the finest city: Tayeb

From Munir U Ahmed

KHULNA, Jan 13: Sk
Tayebur Rahman, BNP nominee
for the mayoral election, is
elected will continue the devel-
opment works taken up by the
present government and make
Khulna one of the finest cities of
the world.

In an interview with The
Daily Star Rahman said, no
development work was taken up
in Khulna city during the
Ershad regime.

It is the BNP government
which has given top priority to
the development of the city.

The government has taken up
different projects involving
more than five crore taka. The
projects include the Secondary
Towns Integrated Flood
Protection Project, construction
of roads and drains, he said.

Rahman further said the
KCC has already planned to
build a children's park, and
modernise the garbage disposal
system and the water treat-
ment plants.



Sk Tayebur Rahman

Tayebur Rahman, who re-
signed recently after serving as
an appointed mayor of the KCC
for 31 months, said he had
tried hard to act as the City
Father keeping himself above
political interests, and worked
sincerely to increase the civi-
l amenities of the citizens.
Rahman, who also served

the BNP government as an am-
bassador to Senegal, said he is
fully confident that the upcom-
ing city polls will be fair. He
said, he is optimistic of being
elected.

Asked to comment on the
opposition allegation that the
Speaker and ministers cam-
paigning for the ruling party
candidates were influencing
the voters, Rahman said, "It is
not correct because a minister
or a whip is entitled to use his
official car 24 hours and he
cannot leave his car even while
campaigning.

"I have nothing to get from
the city dwellers. I want to serve
them as well as the nation.
This is the chance to repay the
debt I owe the country, he
added.

Sk Tayebur Rahman said, he
would work to build a bridge
over the river Rupsha if he is
elected mayor in the coming
polls.

Rajuk Commercial Plots
Auction Notice

Most ideally located Commercial Plot No-
54C, measuring more or less 1083'33 Sqr.
metre (16 kathas 3 chattaks) and Plot No-43
measuring more or less 269'92 Sqr. metre (4
kathas 6 chattaks) at Mohakhali Commercial
Area, Dhaka will be allotted for 99 years
lease, on open auction.

Applications on prescribed form to be
obtained with terms and conditions from
Janata Bank, Rajuk Bhaban Branch, Dhaka on
payment of Tk. 200/- (Taka two hundred)
only in cash for each (non-refundable) and
will be received by the Deputy Director
(Estates) from intending bidders upto 2 P.M.
on 1-2-94 for Plot No-54C and on 6-2-94 for
Plot No-43.

The auction will be held on 2-2-94 for Plot
No-54C and on 7-2-94 for Plot No-43 in the
Conference Room, 3rd floor of the Rajuk
Bhaban, Dhaka at 10.00 AM.

Chairman

DHP(G)787/12-1 Rajdhan Unnayan Kartipakkha
G-82 Dhaka