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# India downs Pak patrol plane

Tension mounts as New Delhi puts navy, military on high alert

ISLAMABAD, Aug 10: The Indian Air Force today shot down a Pakistani naval patrol aircraft, killing all 16 navy personnel onboard and sparking furious protests from the Pakistan government, reports AFP.

Pakistan accused India of carrying out a "cowardly act" while the Indian authorities said the plane had been shot down by a MiG-21 fighter after it violated Indian air space.

The incident again heightened tensions between the South Asian rivals, who have fought three wars since independence in 1947 and now both have nuclear weapons.

Pakistan's Foreign Minister

Sartaj Aziz said the "cold-blooded murder" of 16 innocent people "deserves strong condemnation by the international community".

Pakistan reserves the right to make an appropriate response in self-defence," he added.

Aziz said responsibility for the "wanton and cowardly" act rests squarely with India."

In New Delhi, Indian Defence Minister George Fernandes said the "whole of the western military sector" had been placed on alert following the incident. The Press Trust of India quoted highly placed naval sources as saying the navy had

See page 11 Col 4



A French-made Breguet Atlantique marine patrol aircraft of Pakistan Air Force. An Indian jet fighter shot down a similar aircraft yesterday that had allegedly violated Indian airspace in India's western state of Gujarat.

— AFP photo

## 5,000 shanties go down

By Staff Correspondent

At least five thousand unauthorised shanties and shops on both sides of the rail track from Kamalpur to Maghbazar were removed yesterday.

Some 25,000 people were rendered homeless when the slums were bulldozed by police backed by Armed Police and BDR in presence of railway officials.

The drive to remove slums began on Sunday on orders from the home minister to free the city from slum-based crimes after police constable Mohsin of Riot Control Division was shot dead in an attack

### Inside Today

#### Article

Tiruchelvam's assassination

Ethno politics' Murderous Logic

Praful Bidwai writes from New Delhi Page 4

#### Focus

Sex workers in Bangladesh: Rehabilitation or empowerment?

Page 5

#### Prayer Timings

August 11

	Azan	Jamaat
Fajr	4-10	4-15
Johr	12-50	1-25
Asr	5-00	5-10
Maghrab	6-55	7-00
Esha	7-55	8-15

Source: Islamic Foundation

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#### How many miles to go?

Environment minister Syeda Sajeda Chowdhury, at the *Save the Buriganga* workshop yesterday, promised to draw the attention of the prime minister to the problem and pay personal attention to the cause. (Inset) A part of the blueprint presented by professionals shows the Ahsan Manjil segment of the riverbank.

—Star photo

## Citizens' cry

The anarchic abuse of the old river leads concerned citizens to ask for prompt policy action

By Staff Correspondent

Eminent citizens have strongly underscored the urgency to save the river Buriganga from rapid encroachment and pollution.

The citizens were addressing a workshop organised by The Daily Star and Chetona, a forum of professionals which include architects, town planners and environment engineers at the British Council Auditorium yesterday.

Minister, Syeda Sajeda Chowdhury, in her speech as the chief guest personally committed to take up the issue and solve the Buriganga problem.

We already have a national environment committee involving all the ministries concerned and another sub-committee headed by me that is looking into the environmental problem. I will soon convene another meeting to take immediate steps for saving Buriganga, the environment minister said.

Sajeda Chowdhury said several ministries and departments were involved in the government's Save Buriganga drive but recently the Water Resources Ministry has been entrusted with the responsibility to look after the river. See page 11 Col 7

#### Save the Buriganga

Four teams of Chetona's professionals presented the audience with study reports that included plans of how the Buriganga banks could look like when a planned approach to the problem is adopted. They also presented a report on the actual situation of the river regarding its water quality and physical encroachment. Environment and Forest

## BB deadline to catch defaulters

By Inam Ahmed

The Bangladesh Bank has set a deadline till December 31 for nationalised commercial banks (NCBs) and development financial institutions (DFIs) to realise loans from each of their top 50 defaulters or to file cases by the deadline.

The decision was taken at a meeting of the Bangladesh Bank Governor and chief executives of eight NCBs and DFIs yesterday.

According to meeting sources, the banks have been

asked to make lists of their 50 top defaulters and gear up the special drive to realise the stuck up loans through readjustment and rescheduling or to file cases by the deadline.

The meeting also discussed the lengthy legal procedure against defaulters and observed that the banks must strengthen their legal wings for quick settlement of cases.

It was suggested in the meeting that each bank should ap-

point a senior legal expert, preferably a retired district judge with fame, to advise banks on legal battles.

At the same time, the banks should send one of their officials to courts on the dates of hearing.

Very recently, the Dhaka District Judge sent a letter to Bangladesh Bank that he did not find any lawyer of a DFI on the day of hearing of a case.

Under such circumstances,

the defaulters often get stay orders and keep their cases pending for indefinite period.

According to sources, over one lakh cases were filed by the eight NCBs and DFIs in different courts regarding loan recovery in the last three years.

Of these, only 58,225 cases involving Tk 1317 crore have been decided in favour of the eight institutions. However, the real recovery rate is very slim, only Tk 187 cr.

## Bargain for access to Nepal, Bhutan

Commerce committee chief on transhipment

By Nurul Kabir

Chairman of the Parliamentary Standing Committee on Ministry of Commerce Dewan Farid Gazi does not find any problem in giving India facilities for transhipment of goods through Bangladesh routes. But he strongly believes that Bangladesh has to effectively bargain for transit to Nepal and Bhutan through India.

Farid Gazi MP, a 76-year-old leader of the ruling Awami League, made the observations in an exclusive interview with The Daily Star on Monday.

With the change in world economic order, Bangladesh can not, and also should not, remain isolated from neighbouring India, Gazi said. "What is important is that you have to secure your interests while maintaining good relations with neighbours. Bangladesh will be financially benefited by giving India facilities for transhipment to Nepal and Bhutan through India.

However, he is not aware of any study on the possible financial gain or loss from the proposed transhipment. "Any way, before entering into an agreement, we need to carry out effective studies to assess the possible results of such an agreement, and bargain for things on the basis of calculations arising out of the studies."

When his attention was drawn to opposition BNP's reluctance to allow transhipment facilities to India, the ruling party leader said it is inconsistent with the principles of free market economy followed by the party. "On top of that all, such agreements were signed with India twice, once in 1980 and again in 1993, when BNP was in power."

Asked whether giving transhipment facilities would affect our potential market in the north-eastern part of India which was visualised under the proposed Development Quadrangle, Gazi said, "It may affect our possible business to some

lateral, in entering such agreements' with India, Gazi said: "The government of Sheikh Hasina has not yet signed any agreement. It is too early to say that the present government would not take a regional approach on the issue. We must bargain for transit to Nepal and Bhutan through India.

Replying to another question, Farid Gazi said, "If you want good relations with neighbours, you have to build it up on the basis of 'give and take' principles. Apart from signing the Ganges Water Sharing Treaty with us, India has helped us solve the Chittagong Hill Tracts problem. Now that India has asked for transhipment facilities, we should be sympathetic to it."

Asked whether giving transhipment facilities would affect our potential market in the north-eastern part of India which was visualised under the proposed Development Quadrangle, Gazi said, "It may affect our possible business to some

See page 11 Col 6

## Of tender and terror

JU VC blames anti-Liberation group for campus turmoil

By Gobinda Bar

The recent return of the "Rapist Group" belonging to the ruling party backed Bangladesh Chhatra League to the university, after about a year, is a fallout of the JU senate election of July 29, vice chancellor of Jahangirnagar University (JU) Prof Alauddin Ahmed feels.

"This (capturing of halls) was part of a blueprint of a vested quarter in the university to destabilise the entire situation and put me in a predicament."

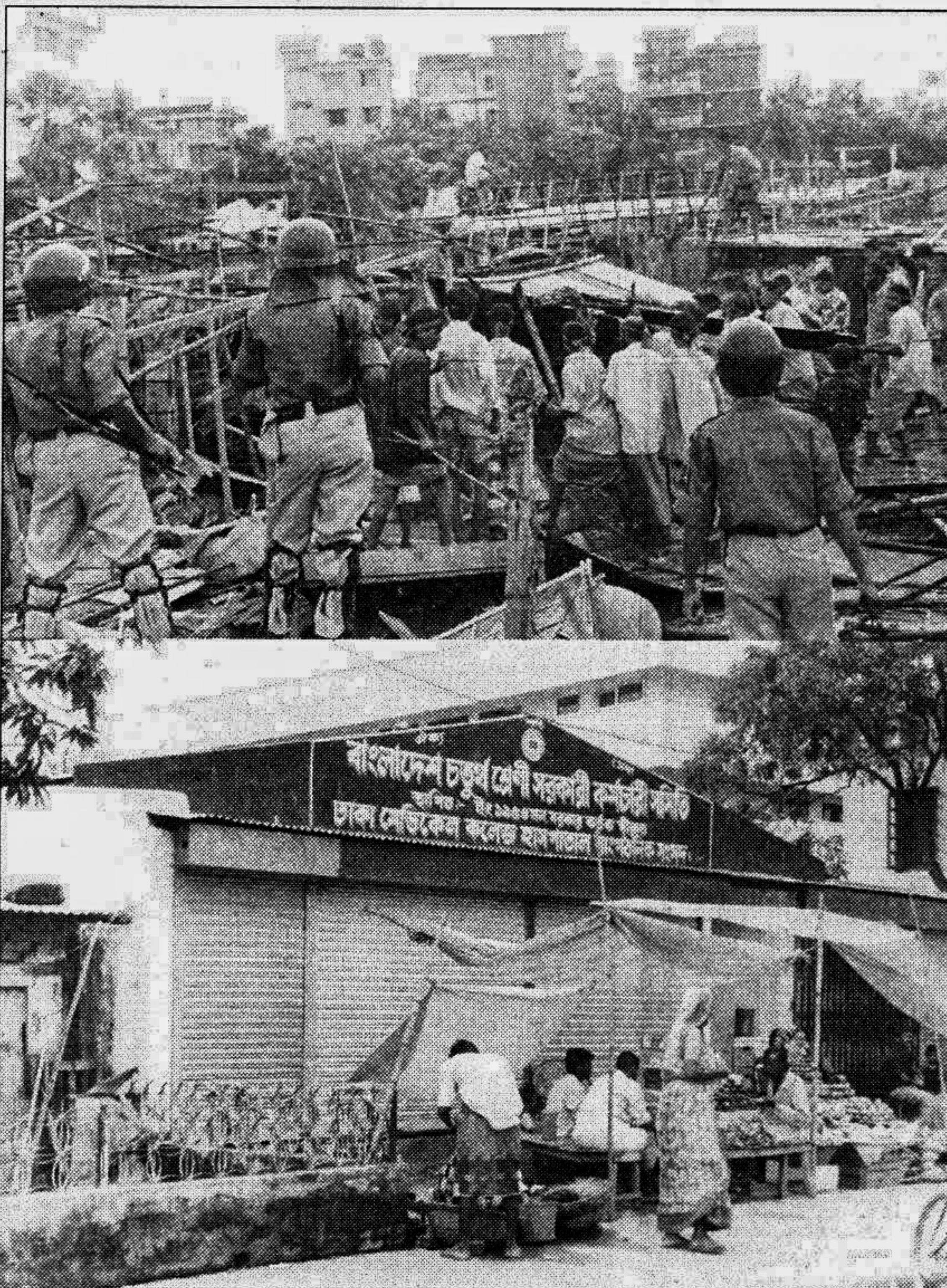
"Those who lost (the elections) are trying to avenge their defeat in many ways," the VC said refusing to further elaborate.

"The recent incident of capturing halls by the so-called 'rapist group' has been masterminded by an influential person in the ruling party, in connivance with a vested interest group of teachers on the campus," Prof Alauddin told The

Daily Star in an interview recently.

"Terror is also a cause behind the capture of halls," the VC said, adding, "They did it hurriedly because they thought that we might take a decision on the Tk 2.71 crore tender for construction of the new Arts Faculty building soon." The VC, however, claimed that the tender was not opened and the process may take some two more

See page 11 Col 7



#### How rational a raze?

Police yesterday demolished slums at Malibagh (top), and the Dhaka Medical College Hospital allows its Class Four employees to construct an office that has turned into a sidewalk market (above).

—Star photos by A K M Mohsin and Anisur Rahman

## Tax dodging

Kibria's comment irks business leaders

By Staff Correspondent

Local business leaders yesterday sharply reacted to a comment by Finance Minister Shah AMS Kibria that they do not pay due taxes.

Countering the allegation, the businessmen criticised the government for liberalising the economy too fast, which exposed local industries to stiff foreign competition reducing their profits.

While answering questions from businessmen at a roundtable discussion on "Capital market — a vehicle for industrialisation and privatisation" organised by the Dhaka Chamber of Commerce and Industry (DCCI), the finance minister at one point raised the question of tax payment by the local business community.

"I am sitting among the top businessmen of the country. How many of you actually pay taxes? I don't want to embarrass anyone by being specific," Kibria said.

He also said that the tax system has been reformed. "This year we have introduced self-assessment system and I would like to see how many pay."

The minister said that the multinational companies paid 50 per cent of the total corporate tax, but local companies were evading payment.

The minister's comment evoked sharp reaction from the business leaders. "The multinational companies enjoy

monopoly business for a long time. They have a strong base here. On the other hand, we, the local entrepreneurs, are facing stiff foreign competition due to the government's quick liberalisation policy," said Manzur Ahmed, ex-president of the Electrical Association.

"If we can not pay tax, that is due to the problems of good governance," Ahmed said. "The government itself should perform."

He also said that such comments from the finance minister might give the wrong signals to foreign investors, some of whom are ready to sign joint venture deals and that the government should praise the business community instead of criticising them publicly.

Kibria retorted by saying that there was nothing to be proud of as the multinational companies paid taxes while the local entrepreneurs did not. "I would have felt proud of you and praised you if you said that you want to pay your dues."

Shamsuddin Ahmed, a member of DCCI, defending local business, said businessmen who want to pay taxes are harassed by tax officials assessing them. Unless they bribe them, their taxes are not settled.

"Besides, you hold meetings with those who take away money from banks. But for those who pay taxes, there is no praise for them."